

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**  
Nashville, Tennessee

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EXECUTIVE SECRETARY

**IN RE: PETITION OF ICG TELECOM GROUP, INC. FOR ARBITRATION  
WITH BELL SOUTH TELECOMMUNICATIONS, INC. PURSUANT TO  
SECTION 252 OF THE TELECOMMUNICATIONS ACT OF 1996**

**DOCKET NO. 99-00377**

and

**IN RE: PETITION FOR ARBITRATION OF ITC DELTA<sup>^</sup>COM  
COMMUNICATIONS, INC. WITH BELL SOUTH  
TELECOMMUNICATIONS, INC. PURSUANT TO THE  
TELECOMMUNICATIONS ACT OF 1996**

**DOCKET NO. 99-00430**

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**ICG'S RESPONSE TO BELL SOUTH TELECOMMUNICATIONS  
1<sup>ST</sup> SET OF INTERROGATORIES**

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**October 20, 1999**

**FILE**

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Interrogatories  
October 20, 1999  
Interrogatory No. 1  
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**INTERROGATORY:** Identify all persons participating in the preparation of the answers to these Interrogatories or supplying information used in connection therewith.

**RESPONSE:** Adrienne Leonard, Phil Jenkins, Bruce Holdridge, Gwen Rowling, Nicolas Selby, Jon Lowry, Dwight Allgood, Kathy Rowley, and Wade Yates of ICG and counsel for ICG.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
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Interrogatory No. 2  
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**INTERROGATORY:** Identify each person whom you expect to call as an expert witness at the arbitration hearing. With respect to each such expert, please state the subject matter on which the expert is expected to testify, the substance of the facts and opinions to which the expert is expected to testify, and a summary of the grounds for each opinion.

**RESPONSE:** With respect to Issue No. 1, ICG has already filed testimony of Cindy Schonhaut and Mike Starkey. In regard to the other issues, ICG expects to call as expert witnesses at the arbitration hearing are the persons for whom ICG filed direct and/or rebuttal testimony in Georgia Public Service Commission Docket No. 10767-U, ICG's Georgia arbitration with BellSouth, which is in BellSouth's possession. The subject matter on which each expert is expected to testify is given in such prefiled testimony, which contains the substance of the facts and opinions on which the expert expects to testify and a summary of the grounds for each opinion. ICG reserves the right to supplement this response based on discovery responses and additional facts or circumstances which may become known to ICG prior to the time of the arbitration hearing.

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**INTERROGATORY:** Identify each person whom you have consulted as an expert in anticipation of this arbitration or in preparation for a hearing in this arbitration who is not expected to be called as a witness. With respect to each such expert, please state the facts known by and opinions held by this expert concerning any matters raised in the Arbitration Petition.

**RESPONSE:** This question has been withdrawn by BellSouth pursuant to a prehearing conference with the Administrative Judge.

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**INTERROGATORY:** Identify all documents which refer or relate to any issues raised in the Arbitration Petition that were provided or made available to any expert identified in response to Interrogatory Nos. 2 or 3.

**RESPONSE:** These documents include those referenced in the testimony filed by ICG in Florida Public Service Commission Docket No. 990691-TP, ICG's Florida arbitration with BellSouth, which is in BellSouth's possession, all documents identified by BellSouth in its responses to ICG's discovery, all documents identified by ICG in its responses to BellSouth's and Staff's discovery requests, all relevant factual and legal submissions in state and regulatory proceedings, all rulings in state and federal proceedings to the extent they are relevant, all internal documents of ICG and BellSouth to the extent they are relevant, and all additional documents to be provided or discovered by any party in this proceeding, to the extent the above and foregoing documents are known or unknown to ICG.

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**INTERROGATORY:** Identify all documents upon which ICG intends to rely or introduce into evidence at the hearing on this matter.

**RESPONSE:** These documents include the testimony of ICG's witnesses to be filed in this matter, BellSouth's responses to ICG's discovery, all documents provided by BellSouth in this matter in support of its case, all documents identified by ICG in response to BellSouth and Staff discovery, all relevant documents discovered or developed by ICG or any party prior to or during the Arbitration, and all documents identified in response to No. 4.



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**INTERROGATORY:** Please state the total number of end user customers that ICG serves within the state of Tennessee.

**RESPONSE:** ICG serves 196 end user customers within the state of Tennessee, exclusive of customers to which ICG provides only interexchange services.

**THIS RESPONSE IS CONFIDENTIAL AND PROPRIETARY AND PROTECTED UNDER  
THE PROTECTIVE AGREEMENT.**



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**INTERROGATORY:** Please state the total number of end user customers that ICG serves off of its own network ("on-net" customers) within Tennessee.

**RESPONSE:** ICG serves 88 end user customers off of its own network within Tennessee.

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THE PROTECTIVE AGREEMENT.**

ICG Telecom Group, Inc.  
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**INTERROGATORY:** Please state the total number of ICG's on-net customers in Tennessee that are Internet Service Providers ("ISPs").

**RESPONSE:** 21 of ICG's on-net customers in Tennessee are Internet Service Providers.

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THE PROTECTIVE AGREEMENT.**

ICG Telecom Group, Inc.  
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**INTERROGATORY:** State the percentage of ICG's customers in Tennessee that are residential customers.

**RESPONSE:** ICG is not aware that any of its customers in Tennessee are residential customers, other than customers to whom ICG provides only interexchange services.

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THE PROTECTIVE AGREEMENT.**

ICG Telecom Group, Inc.  
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**INTERROGATORY:** Please state on a monthly basis the total amount of revenue that ICG has received from providing services within Tennessee to its end-user customers.

**RESPONSE:** For the month of July 1999, ICG billed its end-user customers within Tennessee (not including customers to whom ICG provides only interexchange services) a total of \$203,428.27.

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ICG Telecom Group, Inc.  
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**INTERROGATORY:** Please state on a monthly basis the total amount of revenue that ICG has received from providing services within Tennessee to its "on-net" end-user customers.

**RESPONSE:** For the month of July 1999, ICG billed its on-net end-user customers within Tennessee a total of \$162,102.36.

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THE PROTECTIVE AGREEMENT.**

ICG Telecom Group, Inc.  
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**INTERROGATORY:** For the Tennessee a ISP customers identified in response to Interrogatory No. 8, please state, on an annual basis, (a) the total amount billed by ICG for service to those customers from inception of service to present, (b) the amounts of any credits, rebate, or adjustments given to such customers, and (c) the total amount of revenue collected from such customers, from inception of service to present.

**RESPONSE:** By agreement of the parties, questions concerning whether reciprocal compensation should be paid for calls to ISPs have been withdrawn.

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**INTERROGATORY:** Please provide ICG's total dollar investment in Tennessee, including total dollar investment in switches, outside plant, and support assets.

**RESPONSE:**

CATEGORY	INVESTMENT (\$000)
Furniture, Fixtures & Office Equipment	249
Machinery, Equipment & Vehicles	727
Switch Equipment	7,827
Fiber Optic Equipment	8,246
Fiber Optic Network	3,929
Build Out / Site Preparation	348
Construction in Progress	5,317
Total	26,643

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**INTERROGATORY:** Provide the total number of switches ICG has deployed in Tennessee.

**RESPONSE:** ICG has deployed one switch in Tennessee.



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**INTERROGATORY:** Identify any cost study or other data or documents concerning the actual cost to ICG to transport ISP traffic from the point of interconnection with BellSouth to the ISP server being served by an ICG switch.

**RESPONSE:** ICG does not have cost studies with respect to its own facilities at this time. To the extent that BellSouth facilities are used, ICG's costs equal BellSouth's prices, which are known to BellSouth.

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**INTERROGATORY:** State the recurring and nonrecurring rates you contend BellSouth should charge in Tennessee for the frame relay elements necessary to provide packet-switch services, including the User-to-End Network Interface, Network-to-Network Interface, and the Data Link Control Identifiers and Committed Information Rates. In answering this Interrogatory, describe with particularity the method by which these rates were calculated.

**RESPONSE:** BellSouth should charge unmodified forward-looking total element long run incremental cost-based rates for frame relay services provided by BellSouth to ICG.

The rates set forth in Exhibit AJV-8 to the direct testimony of BellSouth Witness Alphonso J. Varner in Florida Public Service Commission Docket No. 990691-TP, ICG's Florida arbitration with BellSouth, are acceptable to ICG for frame relay services in Florida. ICG anticipates that rates for frame relay services in Tennessee that are based upon the same cost study and cost model as those Florida rates would also be acceptable to ICG, but ICG as of the date of this response has not received proposed rates for frame relay services in Tennessee from BellSouth.

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**INTERROGATORY:** Identify all studies, evaluations, reports, or analyses prepared by or for ICG since January 1, 1996 that refer or relate to the cost to BellSouth or any other Incumbent Local Exchange Carrier of providing any of the unbundled network elements or other services requested by ICG in its Arbitration Petition.

**RESPONSE:** None, at this time.

**INTERROGATORY:**

Are there any types of frame relay elements necessary to provide packet-switched services that you have requested from BellSouth that you contend BellSouth has refused to provide on an unbundled basis? If the answer is in the affirmative:

- (a) identify with particularity the type of element you requested which BellSouth allegedly has refused to provide;
- (b) state the date when you first requested the element and the date BellSouth allegedly refused to provide it;
- (c) state the reasons purportedly given by BellSouth for its refusal to provide element; and
- (d) identify all documents that refer or relate to ICG's request for or BellSouth's refusal to provide each such element.

**RESPONSE:**

As the question applies to service orders, the answer is none. As the question applies to service negotiations between ICG and BellSouth the answer is as follows:

- (a) Network-to-network interface, network to end user interface, data control links and related transmission speeds.
- (b) May 1999.
- (c) and (d) The information and documents requested are in the possession of BellSouth.

**THIS RESPONSE IS CONFIDENTIAL AND PROPRIETARY AND PROTECTED UNDER THE PROTECTIVE AGREEMENT.**

**INTERROGATORY:**

Identify all states in which ICG has requested an Incumbent Local Exchange Carrier (other than BellSouth) to provide ICG with an "Enhanced Extended Link" or "EEL" alternative. In answering this Interrogatory, please:

- (a) identify the Incumbent Local Exchange Carrier to whom the request was made;
- (b) state the date of ICG's request and the date of the Incumbent Local Exchange Carrier's response; and
- (c) describe with particularity the Incumbent Local Exchange Carrier's response to ICG's request.

**RESPONSE:**

- (a) Pacific Bell in California and Southwestern Bell in Texas.
- (b)(i) In California, ICG participated in the collaborative workshop held in July and August 1998, by the California Public Utilities Commission ("CPUC") in connection with Pacific Bell's draft application for 271 authority in R.93-04-003/I.93-04-002/R.95-04-043/I.94-04-044. At various times during the workshop, ICG supported the request by CompTel and, ICG believes, Competitive Local Exchange Carriers ("CLEC") other than ICG that Pacific Bell be required to offer an extended link which consists of the loop functionality delivered to a distant central office or a combination of loop and transport. See, CPUC Decision (D.) 98-12-069 (December 17, 1998) at P. 147. ICG views extended link in California as an unbundled loop functionality that is equivalent to Enhanced Extended Link or EEL. ICG considers its vocal support for the CompTel/CLEC request equivalent to a request for the extended link functionality. ICG is uncertain whether Pacific responded, precisely, to the CompTel/CLEC request, but D. 98-12-069 requires Pacific to provide extended links to CLECs. See, *id.*, Appendix B., p. 17.

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- (b)(ii) During SWBT's 271 application in Texas, the Texas Commission developed a Memorandum of Understanding (MOU) with SWBT. It was the Commission's intention that they establish a stable business environment for CLECs even if the FCC's UNE remand restricts access to UNEs. It is a document that was negotiated by the Texas PUC Chairman and SWBT; it was approved by the entire Commission. Attachment B, Section G addresses the availability of Extended Link. This document is publicly available from the Texas Commission.
- (c)((i) Please see response to 15(b)(i), *supra*. Pacific's response, in general, at least as it was understood by the CPUC, is set forth in D. 98-12-069 at pp. 148-49.
- (c)(ii) Based on the MOU, SWBT filed a Proposed Interconnection Agreement (PIA) that incorporated the MOU's commitments. The commitment to provide EEL per the MOU is contained in the UNE attachment of the PIA. This document is publicly available from the Texas Commission.

**INTERROGATORY:** Does ICG contend that if it were to receive an EEL, that it could put both local and toll traffic over the EEL? If so, explain the justification for this position.

**RESPONSE:** ICG is requesting EELs to provide local exchange service. Generally, local exchange customers also use their exchange service for exchange access ("toll" traffic) as well. ICG expects to respond to the needs of its customers to use local exchange facilities for exchange access. ICG also expects to respond to its customers that demand the EEL for special access.

ICG believes it has the right to put toll traffic over the EEL for at least two reasons. As explained above, customers use common facilities for both exchange service and exchange access and there is no workable means to preclude the customer from using the EEL for exchange access. The Supreme Court's opinion in *AT&T Corp. v. Iowa Utilities Bd.*, 525 U.S. 366 (1999), allows an entrant to purchase UNE combinations that recreate retail services at prices based on forward-looking costs. Finally, when the full text of the FCC's UNE order adopted on September 15, 1999 in CC Docket Number 96-98 is released, it may provide additional support for ICG's position.

**INTERROGATORY:** Identify all proceedings conducted under the Act, including, but not limited to, arbitrations under Section 252 of the Act, in which ICG has sought to require that an Incumbent Local Exchange Carrier (other than BellSouth) provide ICG with an "Enhanced Extended Link" or "EEL" alternative. In answering this Interrogatory:

- (a) identify the jurisdiction in which the proceeding was conducted, describe the nature of the proceeding, and state the docket number assigned to the proceeding;
- (b) state the dates when the proceeding was initiated and when it was concluded, if applicable;
- (c) state the result of the proceeding.

**RESPONSE:**

- (a) Please see response to Interrogatory No. 19(b), *supra*.
- (b)(i) The California 271 Application Proceeding was initiated by Pacific Bell in March, 1998. However, R.93-04-003/I.93-04-002 was initiated in April, 1993, and R.95-04-043/I.95-04-044 was initiated in April, 1995. The 271 Application Proceeding is still open and pending before the CPUC, as are the underlying rulemaking/investigation proceedings.
- (b)(i) The date when the Texas proceeding was commenced by SWBT can be obtained from the pleadings. ICG understands that it is ongoing.



**INTERROGATORY:** Identify all states in which ICG has requested an Incumbent Local Exchange Carrier (other than BellSouth) to provide ICG with volume and term discounts on unbundled network elements consistent with those available for the Incumbent's special access services. In answering this Interrogatory:

- (a) identify each Incumbent Local Exchange Carrier to whom such a request was made;
- (b) state the date of ICG's request and the date of the Incumbent Local Exchange Carrier's response; and
- (c) describe with particularity the Incumbent Local Exchange Carrier's response to ICG's request, including the discounts to which the incumbent agreed, if any.

**RESPONSE:**

- (a) ICG has requested volume and term discounts on unbundled network elements from BellSouth (Alabama, North Carolina, Florida, Georgia, Tennessee and Kentucky), Pacific Bell (California) and Ameritech (Ohio).
- (b) May 1999 for BellSouth, August 1999 for Pacific Bell, and June 1999 for Ameritech.
- (c) The ILEC is negotiating with ICG.

**THIS RESPONSE IS CONFIDENTIAL AND PROPRIETARY AND PROTECTED UNDER  
THE PROTECTIVE AGREEMENT.**

**INTERROGATORY:** Identify all proceedings conducted under the Act, including, but not limited to, arbitrations under Section 252 of the Act, in which ICG has sought to require that an Incumbent Local Exchange Carrier (other than BellSouth) provide volume and term discounts on unbundled network elements purchased from that Incumbent. In answering this Interrogatory:

- (a) identify the jurisdiction in which the proceeding was conducted, describe the nature of the proceeding, and state the docket number assigned to the proceeding;
- (b) state the dates the proceeding was initiated and when it was concluded, if applicable;
- (c) state the result of such proceeding.

**RESPONSE:**

- (A) Ohio, arbitration proceeding conducted in Case No. 99-1153-TP-ARB
- (B) September 27, 1999.
- (C) Case is pending.

**INTERROGATORY:** Does ICG contend that TELRIC cost methodology is based on the cost of the network as it currently exists, or the cost of the network as it will look in the future?

**RESPONSE:** FCC Rule Number 51.505(b)(1) dictates that prices for unbundled network elements be based upon the TELRIC methodology, wherein:

The total element long-run incremental cost of an element should be measured based on the use of the most efficient telecommunications technology currently available and the lowest cost network configuration, given the existing location of the incumbent LEC's wire centers.

This criterion requires that TELRIC costs be calculated using the "lowest cost configuration" of the LEC's network "...based on the most efficient telecommunications technology currently available." As such, while the TELRIC methodology may in practice benefit from examining the LEC's network as it exists today or as it may exist in the future, neither of those network architectures or subsequent cost structures may be adequate for TELRIC purposes. The TELRIC methodology requires that the network from which costs for UNEs will be derived be based upon the least cost network configuration using the most efficient technology currently available. The extent to which a LEC currently uses, or in the future plans to use such a network configuration, is irrelevant to a proper TELRIC analysis. As such, neither the "current network" nor "future network" configuration actually used by the LEC is necessarily the proper standard by which UNE costs should be determined.

**INTERROGATORY:** Identify all states in which ICG is proving [sic] local exchange service and identify the number of access lines being served by ICG in each such state.

**RESPONSE:** ICG interprets this Interrogatory as requesting information concerning the states in which ICG is *providing* local exchange service.

STATE	ACCESS LINES
Alabama	14,475
Georgia	10,841
North Carolina	16,701
Tennessee	9,607
Kentucky	12,189
Texas	19,502
Colorado	65,161
California	154,651
Ohio	127,970

As of July 1999.

**THIS RESPONSE IS CONFIDENTIAL AND PROPRIETARY AND PROTECTED UNDER  
THE PROTECTIVE AGREEMENT.**

**INTERROGATORY:** Identify all agreements between ICG and an Incumbent Local Exchange Carrier under Section 252 of the Act, whether the agreement was entered into through voluntary negotiation or compulsory arbitration. In answering this request:

- (a) identify the Incumbent Local Exchange Carrier that is a party to each such agreement;
- (b) state the effective date of each such agreement; and
- (c) state the expiration date of each such agreement.

**RESPONSE:** BellSouth and ICG have agreed that ICG will provide copies of interconnection agreements from non-BellSouth states. Those states are Indiana, Colorado, Texas, California, Ohio, Washington, New York, and Massachusetts.

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**INTERROGATORY:** Identify any and all cost studies, evaluations, reports or analyses prepared by or for ICG concerning any issue raised by ICG in the Arbitration Petition.

**RESPONSE:** None at this time.

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**INTERROGATORY:** Identify all state or federal legal authority that ICG contends grants the Tennessee Regulatory Authority the right to award or order liquidated damages against telecommunications carriers in an arbitration under the Telecommunications Act of 1996.

**RESPONSE:** ICG does not contend that the Tennessee Regulatory Authority is authorized to award damages, liquidated or otherwise. ICG does contend that the TRA has the authority, as part of its responsibility to determine the just and reasonable rates, terms, and conditions for services provided by telecommunications carriers, to approve or require provisions establishing the consequences of a carrier's failure to comply with service quality standards that have been approved or mandated by the TRA, which may include provisions for liquidated damages.

As authority for this position, ICG refers BellSouth to the TRA's recent decisions in dockets 99-00210 and 99-00244, both Contract Service Arrangements containing provisions for liquid

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**INTERROGATORY:** Identify all state or federal legal authority that ICG contends requires BellSouth to provide ICG with volume and term discounts for UNEs under the Telecommunications Act of 1996.

**RESPONSE:** This issue is addressed in the prefiled testimony of ICG in Florida Public Service Commission Docket No. 990691-TP, ICG's Florida arbitration with BellSouth, which is in BellSouth's possession. See, especially the rebuttal testimony of Mr. Michael Starkey. However, to the extent this information is not provided in the testimony filed by ICG in the Florida proceeding, ICG objects on the ground that the information required calls for a legal conclusion.



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**INTERROGATORY:** Identify all state and federal legal authority that supports ICG's contention that traffic to ISPs is local traffic.

**RESPONSE:** See response to Interrogatory 12.

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October 20, 1999  
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**INTERROGATORY:** State with particularity each cost for which ICG is willing to compensate BellSouth if BellSouth agrees to binding forecasts as proposed by ICG (e.g. cost of trunks only, labor-specific costs, etc.).

**RESPONSE:** Until BellSouth identifies with particularity each cost it would propose to charge for binding forecasts, ICG is not in a position to state each cost for which it would be willing to compensate BellSouth. As a general matter, ICG seeks binding forecasts as they relate to switch ports and associated transport, and is willing to compensate BellSouth at TELRIC rates for the costs BellSouth reasonably incurs providing such facilities, subject to reasonable mitigation rights.

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**INTERROGATORY:** State whether any other Incumbent Local Exchange Carrier has agreed to the binding forecasts proposed by ICG in this arbitration proceeding. If so, identify the Incumbent Local Exchange Carrier that has so agreed, and identify the agreement in which the provision of binding forecasts is contained.

**RESPONSE:** None at this time. However, ICG currently is in negotiations with other ILECs in which a binding forecast provision is being negotiated by the parties.

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**INTERROGATORY:** Identify any and all state or federal laws or regulatory authority upon which ICG relies in support of its contention that BellSouth is obligated to provide binding forecasts.

**RESPONSE:** BellSouth's refusal to provide binding forecasts is discriminatory. See 47 U.S.C. § 251(b),(c); 47 CFR § 51.305. ICG reserves the right to supplement this response.

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee**

**IN RE:            PETITION OF ICG TELECOM GROUP, INC. FOR ARBITRATION  
                     WITH BELLSOUTH TELECOMMUNICATIONS, INC. PURSUANT TO  
                     SECTION 252 OF THE TELECOMMUNICATIONS ACT OF 1996**

**DOCKET NO. 99-00377**

**and**

**IN RE:            PETITION FOR ARBITRATION OF ITC DELTA^COM  
                     COMMUNICATIONS, INC. WITH BELLSOUTH  
                     TELECOMMUNICATIONS, INC. PURSUANT TO THE  
                     TELECOMMUNICATIONS ACT OF 1996**

**DOCKET NO. 99-00430**

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**ICG'S RESPONSE TO BELLSOUTH TELECOMMUNICATIONS  
1<sup>ST</sup> SET OF REQUEST FOR PRODUCTION**

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**October 20, 1999**

ICG Telecom Group, Inc.  
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Production  
October 20, 1999  
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**REQUEST:** Produce all documents that refer or relate to any request by ICG to an Incumbent Local Exchange Carrier (other than BellSouth) to provide ICG with volume and term discounts on unbundled network elements consistent with those available for the Incumbent's special access services.

**RESPONSE:** To the extent such documents were not provided by BellSouth or are not in BellSouth's possession, to the extent such documents are reasonably available to ICG, and to the extent such documents are not contained in the documentation of a state or federal proceeding accessible by BellSouth, there are none.

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**REQUEST:** Produce a copy of any interim or final decision in an arbitration under Section 252 of the Act or in any other proceeding under the Act that addresses the issue of whether ICG should receive volume and term discounts on unbundled network elements from an Incumbent Local Exchange Carrier consistent with those available for the Incumbent's special access services.

**RESPONSE:** These documents are publically available from the state regulatory bodies governing the states where ICG does business, identified in the response to Interrogatory No. 23. To the best of ICG's knowledge, there are no such documents at this time.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 7  
Page 1 of 1

**REQUEST:** Produce all documents that refer or relate to any request by ICG to an Incumbent Local Exchange Carrier (other than BellSouth) for performance measurements, benchmarks, and/or liquidated damages.

**RESPONSE:** To the extent such documents were not provided by BellSouth or are not in BellSouth's possession, to the extent such documents are reasonably available to ICG, and to the extent such documents are not contained in the documentation of a state or federal proceeding accessible by BellSouth, there are none. See also, response to Interrogatory 19.



ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 8  
Page 1 of 1

**REQUEST:** Produce all documents that refer or relate to ICG's claim that for purposes of reciprocal compensation, ICG should be compensated for end office, tandem, and transport elements of termination where ICG's switch serves a geographic area comparable to the area served by BellSouth's tandem switch.

**RESPONSE:** To the extent such documents were not provided by BellSouth or are not in BellSouth's possession, to the extent such documents are reasonably available to ICG, and to the extent such documents are not contained in the documentation of a state or federal proceeding accessible by BellSouth, there are none.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 9  
Page 1 of 1

**REQUEST:** Produce copies of all agreements between ICG and an Incumbent Local Exchange Carrier (other than BellSouth) under Section 252 of the Act, whether the agreement was reached through voluntary negotiation or compulsory arbitration.

**RESPONSE:** BellSouth and ICG have agreed that ICG will provide copies of interconnection agreements from states outside the BellSouth region. Those states are Indiana, Texas, Colorado, California, Ohio, Massachusetts, New York, and Washington. Because these agreements are voluminous, copies will be provided to the TRA staff upon request.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 10  
Page 1 of 1

**REQUEST:** Produce all documents upon which ICG intends to rely or introduce into evidence at the hearing on this matter.

**RESPONSE:** To the extent such documents were not provided by BellSouth or are not in BellSouth's possession, to the extent such documents are reasonably available to ICG, and to the extent such documents are not contained in the documentation of a state or federal proceeding accessible by BellSouth, there are none.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 11  
Page 1 of 1

**REQUEST:** Please provide any and all written agreements and/or contracts entered between ICG and its ISP customers identified in response to Interrogatory No. 8, as well as an explanation of any oral agreements entered with such ISP customers.

**RESPONSE:** By agreement of the parties, questions relating to whether reciprocal compensation should be paid for ISP traffic have been withdrawn.

ICG Telecom Group, Inc.  
Docket No. 99-00377  
BellSouth's 1<sup>st</sup> Set of Requests for  
Production  
October 20, 1999  
Request for Production No. 12  
Page 1 of 1

**REQUEST:** Identify any and all cost studies, evaluations, reports or analyses prepared by or for ICG concerning any issue raised by ICG in the Arbitration Petition.

**RESPONSE:** There are none at this time.

## CERTIFICATE OF SERVICE

I hereby certify that on October 20, 1999, a copy of the foregoing document was served on the parties of record, via the method indicated:

<input type="checkbox"/>	Hand	Richard Collier, Esq.
<input type="checkbox"/>	Mail	Tennessee Regulatory Authority
<input type="checkbox"/>	Facsimile	460 James Robertson Parkway
<input type="checkbox"/>	Overnight	Nashville, TN 37243-0500
<input type="checkbox"/>	Hand	Guy Hicks, Esq.
<input type="checkbox"/>	Mail	BellSouth Telecommunications, Inc.
<input type="checkbox"/>	Facsimile	333 Commerce St., Suite 2101
<input type="checkbox"/>	Overnight	Nashville, TN 37201-3300
<input type="checkbox"/>	Hand	R. Douglas Lackey, Lisa Foshee, and
<input type="checkbox"/>	Mail	A. Langley Kitchens
<input type="checkbox"/>	Facsimile	Suite 4300, BellSouth Center
<input type="checkbox"/>	Overnight	675 West Peachtree St., NE
		Atlanta, GA 30375-0001

  
Henry Walker

**SWB**  
**APRIL 26, 1999**

**PROJECT NO. 16251**

**INVESTIGATION OF SOUTHWESTERN § PUBLIC UTILITY COMMISSION**  
**BELL TELEPHONE COMPANY'S §**  
**ENTRY INTO TEXAS INTERLATA § OF TEXAS**  
**TELECOMMUNICATIONS MARKET §**

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April 26, 1999

ALJ Katherine D. Farroba  
Public Utility Commission of Texas  
1701 North Congress  
Austin, TX 78701

**Re: Project No. 16251 – Memorandum of Understanding**

Dear Judge Farroba:

As a result of the tremendous efforts of the Public Utility Commission, its staff, the Competitive Local Exchange Carriers and Southwestern Bell throughout the extensive collaborative process, Texas now has an opportunity to become the first State in the nation to offer its citizens full and open competition for all telecommunications services—making Texas a world leader in successfully opening its telecommunications market to all providers.

By charting a course for interLATA relief under section 271 throughout this collaborative process, the Commission has demonstrated its commitment to ensure that Texas is second to none in telecommunications. With the commitments made by Southwestern Bell in the collaborative process and in the accompanying documents, Southwestern Bell will have fully satisfied the 14 point checklist. Subject to satisfactory completion of OSS testing, Southwestern Bell is seeking Commission concurrence that the local telecommunications market in Texas is fully open to competition such that Southwestern Bell's entry into the interLATA toll market is appropriate.

ALJ Katherine D. Farroba  
Project No. 16251  
April 26, 1999  
Page 2

Attached for filing is a Memorandum of Understanding which, along with attachments, sets out Southwestern Bell's obligations regarding collocation, provision of unbundled network elements, reciprocal compensation, xDSL and other advanced services technology, MLT testing and performance measurements, as well as the numerous commitments made on the record during the collaborative sessions. As stated in the Memorandum, if the terms of this document are acceptable to the Commission, Southwestern Bell will file a Proposed Interconnection Agreement that memorializes these commitments document within 15 days of the Commission's action.

Sincerely,

Melanie S. Fannin

cc: Chairman Pat Wood, PUC (e-mail and hand delivered)  
Commissioner Brett Perlman, PUC (e-mail and hand delivered)  
Commissioner Judy Walsh, PUC (e-mail and hand delivered)  
Donna Nelson, Asst. Director, Legal Division, PUC (e-mail and hand delivered)  
Howard Siegel, Asst. Director, OPD, PUC (e-mail and hand delivered)  
Nara Srinivasa, Industry Analysis, PUC (e-mail and hand delivered)  
Rick Guzman, Office of Public Utility Counsel (e-mail and hand delivered)  
Parties of Record (e-mail and hand delivered or overnight delivery)



## **MEMORANDUM OF UNDERSTANDING**

**April 26, 1999**

**To:           Chairman Wood:  
              Commissioner Walsh:  
              Commissioner Perlman:**

**From:       James B. Shelley, President-Texas Regulatory**

**Re:   Project No. 16251: Results of the Collaborative Process**

---

Southwestern Bell Telephone Company ("SWBT") submits this memorandum (the "Memorandum") and its attachments to confirm the results of the Collaborative Process. If the terms of this Memorandum are acceptable to the Public Utility Commission of Texas (Commission), SWBT will file implementation documents within fifteen days of Commission action approving this proposal.

SWBT's implementation documents will consist of a proposed interconnection agreement (the "Proposed Interconnection Agreement"). The terms of the Proposed Interconnection Agreement will include the terms of the current AT&T Interconnection Agreement amended to reflect:

- additional terms incorporating commitments made by SWBT as a result of the Collaborative Process work sessions, as set out in Attachment A to this Memorandum; and
- provisions addressing the additional commitments on core issues, as set out in Attachment B to this Memorandum.

The terms, conditions and prices contained in the Proposed Interconnection Agreement will be approved by the Commission if, within 30 days of SWBT's filing of the Proposed Interconnection Agreement, the Commission finds the Proposed Interconnection Agreement adequately incorporates the results of the Collaborative Process and the commitments contained in Attachments A & B. The Proposed Interconnection Agreement will be available to any requesting CLEC for a period of one (1) year from the date the Commission approves the Proposed Interconnection Agreement and finds that the terms and conditions of the Proposed Interconnection

Agreement, when implemented, meet the requirements of Section 271(c), conditioned only upon the completion of Project No. 20000. If the FCC approves SWBT's Section 271 application, the Proposed Interconnection Agreement will be automatically extended for a period of three years. SWBT and any CLEC operating under the Proposed Interconnection Agreement must begin negotiation of a new agreement no later than 135 days prior to expiration. The terms of the Proposed Interconnection Agreement will remain available during this period of renegotiations and for a period not to exceed 135 days after expiration for completion of any necessary arbitration of a replacement agreement.



## **ATTACHMENT A**

### **COLLABORATIVE PROCESS COMMITMENTS BY SOUTHWESTERN BELL TELEPHONE COMPANY**

Pursuant to the April 26, 1999 Memorandum of Understanding from Southwestern Bell Telephone Company (SWBT) to the Public Utility Commission of Texas, SWBT submits this document to memorialize the commitments SWBT made to its CLEC customers and to the Commission during the collaborative process in Project No. 16251.

In this document, SWBT has not attempted to capture the minute details of every collaborative work session since July 1998, but instead has set forth the final results of those collaborative efforts between SWBT, Commission Staff and the CLEC participants. For greater details of the commitments and progress that have been made to open the local telecommunications market in Texas, refer to 1) commitments SWBT has made on the record in Project No. 16251, 2) the Commission Staff's November 18, 1998 Final Status Report in Project No. 16251, as well as the numerous follow-up filings by SWBT.

#### **PUBLIC INTEREST COMMITMENTS**

1. SWBT has already made several, and commits to continue, process improvements designed to foster better relationships with and provide better service to its CLEC customers. Such improvements include, but are not limited to: restructuring its organizations and creating new departments to provide faster and better responses to CLECs; improved communications with CLECs through a greatly expanded Internet website, broadcast e-mails and user group meetings; distribution of customer satisfaction surveys; and creation of an Internal Escalation Process Intervals Policy.
2. SWBT further commits to following the Commission's arbitration awards and other decisions. SWBT, however, does not waive its right to appeal such awards or decisions, except as otherwise provided in the Memorandum of Understanding between SWBT and the Commission.
3. SWBT also commits to continue to work with its CLEC customers, and invites their feedback, to provide them a meaningful opportunity to compete in Texas.

## ATTACHMENT A

### COMPETITIVE CHECKLIST COMMITMENTS

#### *Checklist Item 1 – interconnection*

1. SWBT agrees to hold trunking meetings, monthly through June 1999 and thereafter as required, with interested CLECs to discuss trunk forecasts, shortage of facilities, and other topics related to providing adequate trunking in the local network.
2. SWBT agrees to allow CLECs to buy equipment from non-SWBT entities and then sell the equipment to SWBT to reduce CLEC costs. The virtual collocation tariff approved in Docket No. 19000 contains language that addresses this commitment.

#### *Checklist Item 2 – access to unbundled network elements*

1. The Commission deferred to a docket pending before the FCC relating to intellectual property rights and rights to use UNES; SWBT has committed to follow the FCC's decision in that docket.

#### *Checklist Item 3 – access to poles, conduits and rights of way*

1. The Commission found SWBT met this checklist item prior to the collaborative process. SWBT, however, commits to continue to provide nondiscriminatory access to poles, conduits and rights of way, pursuant to its interconnection agreements.

#### *Checklist Item 4 – unbundled loop*

1. SWBT agrees to provide 4-wire loops capable of supporting HDSL service on an unbundled loop, provided the subscriber to such service has adequate cable or channel capacity or other adequate means to provide 911 calls from the same location. SWBT will incorporate this 911 protection into its implementation process. Commission Staff clarified that wireless technologies shall not be considered "adequate means to provide 911 calls" unless they are ALI-capable.
2. xDSL – SWBT agrees to follow Docket Nos. 20226 and 20272 relating to the use of xDSL service consistent with the provisions of MOU Attachment B, Section III D.



## **ATTACHMENT A**

### ***Checklist Item 5 – unbundled transport***

1. SWBT agrees to provide the multiplexer and unbundled dedicated transport as a UNE, consistent with how SWBT provides the same in the SWBT/AT&T interconnection agreement, subject to the Memorandum of Understanding between SWBT and the Commission.
2. SWBT commits to comply with Docket No. 18117 concerning cross-boundary trunking requests. SWBT also will provision two-way trunks to CLECs upon request.

### ***Checklist Item 6 – unbundled local switching***

1. SWBT agreed with CLECs to provide an interim solution for billing originating 800 and terminating access and further committed to providing a permanent solution by March 31, 1999. This item has been completed. SWBT will absorb the costs of implementing the permanent solution for such access billing.
2. SWBT agrees to provide customized routing by line class codes and has developed costs and prices for the same at a CLEC's request. SWBT is willing to provide these costs and prices to any other CLEC and to submit them to the Commission for approval.
3. SWBT agrees to follow the decision in Docket No. 20025, relating to the use of unbundled local switching consistent with the provisions of MOU Attachment B, Section III D.

### ***Checklist Item 7 – access to 911, OS and DA databases***

1. SWBT agrees to implement compare file capability for 911 listing verification by resellers and UNE-based carriers by the end of the second quarter, 1999.
2. SWBT has implemented ordering processes for 911 listing information to ensure that SWBT's customer information remains unchanged and that CLEC order entry errors on resale and UNE conversion service requests do not result in the introduction of error into the 911 database.

## **ATTACHMENT A**

3. SWBT has implemented ordering processes for directory listing and white pages information to ensure that customer listing information remains unchanged and that re-population of information is not required on resale and UNE combination and "stand alone" switch port orders.
4. SWBT has implemented mechanized process to ensure SWBT's LIDB record is not deleted from the LIDB database upon conversion of the end-user to service provided by a CLEC.
5. SWBT established a LIDB database users group.

### *Checklist Item 8 – white pages*

1. SWBT agrees to implement ALPSS/LIRA database by May 1, 1999, which will provide resellers and UNE-based carriers the ability to review and correct listings through the listing verification capability. ALPSS/LIRA also will enable carriers to choose whether their listings are interspersed or separate from SWBT's listings
2. SWBT agrees to permit CLECs to place their own advertisements on white pages directories by either providing CLECs bulk delivery of the directories or a "signature book" (i.e., a directory without a cover).

### *Checklist Item 9 – access to telephone numbers*

1. The Commission found SWBT met this checklist item prior to the collaborative process. SWBT, however, commits to continue to provide nondiscriminatory access to telephone numbers, pursuant to its interconnection agreements.

### *Checklist Item 10 – access to databases and associated signaling*

1. The Commission found SWBT met this checklist item prior to the collaborative process. SWBT, however, commits to continue to provide nondiscriminatory access to databases and associated signaling, pursuant to its interconnection agreements.

### *Checklist Item 11 – number portability*

## ATTACHMENT A

1. SWBT agrees to provide permanent number portability pursuant to FCC tariffs.
2. SWBT agrees to provide information on its Internet website relating to conversions from INP to LNP, as well as host forums with CLEC customers to discuss number portability issues.

### *Checklist Item 12 – local dialing parity*

1. SWBT agrees to extend to CLECs the same terms and arrangements it has with other ILECs or CLECs for similar two-way arrangements in areas where SWBT offers optional two-way EAS.

### *Checklist Item 13 – reciprocal compensation*

1. SWBT will follow this Commission's decisions on payment of reciprocal compensation for Internet traffic, subject to the final outcome of pending appeals of those decisions and the aforementioned Memorandum of Understanding.
2. SWBT has reached agreement with some CLECs on an interim solution relating to reciprocal compensation involving calls with UNEs or ported numbers. SWBT has agreed to make this interim solution available to any CLEC and also agrees to participate in meetings with the Commission and industry to develop a permanent solution for this industry-wide issue.
3. SWBT agrees to provide CLECs the option to enter into interconnection arrangements similar to the arrangements SWBT has with other ILECs for traffic within mandatory EAS, including ELCS.

### *Checklist Item 14 -- resale*

1. SWBT and its voice mail affiliate have implemented procedures that allow the voice mail product to remain working during the conversion of a SWBT local customer to a CLEC reseller.
2. SWBT commits to give CLECs at least 30 days advance notice of any promotion.

## **ATTACHMENT A**

3. SWBT agrees to follow the Commission's decision in Docket No. 17759, relating to the resale of ICB contracts, subject to appeals by either party after such decision is final.

### **PERFORMANCE MEASURES COMMITMENTS**

1. SWBT agrees to make available to any CLEC all performance measures and the Performance Remedy Plan resulting from the collaborative process.
2. SWBT commits to meet every six months with the CLECs and Commission Staff to review the performance measures approved by the Commission in this proceeding.
3. CLEC will have access to monthly reports on performance measures through an Internet website that includes individual CLEC data, aggregate CLEC data, and SWBT's data.

### **OSS COMMITMENTS**

1. SWBT conformed its technical documentation to meet the development of its LEX and EDI interfaces through the December 19, 1998 EDI special release.
2. SWBT agrees to conduct monthly change management meetings with Commission Staff oversight at least through September 1999 and agrees to prepare and file minutes with the Commission within two weeks of each change management meetings.
3. SWBT implemented notepad/clipboard functionality for LEX and Verigate.
4. SWBT completed implementation of Phases I-III of order flow-through for EDI and LEX.
5. SWBT has provided to interested CLECs a list of SORD edits that have been moved up to LASR and which are slated to be moved up to LASR. Additional issues related to SORD edits are to be addressed in Docket 19000.
6. SWBT has implemented real time processing for orders submitted via LEX and EDI, and for return of FOC and SOC.

## **ATTACHMENT A**

7. SWBT has committed to implementation of electronic jeopardy notification coincident with industry guidelines and in accordance with the EDI change management process.
8. SWBT is implementing a mechanized interface between SHOTS and EDI/LEX, via LASR, to provide mechanical feeds for jeopardy situations.
9. SWBT has provided a guide to error codes used by SWBT for rejected orders on its Internet website.
10. SWBT has implemented a "fax back" program, confirming within one hour SWBT's receipt of faxed LSRs from carriers forwarding a manual log listing all of the attached LSRs.
11. SWBT has committed to implementation of EDI 9 and 10 for preordering. EDI 9 for preordering will be implemented in March of 1999; EDI 10 for preordering will be implemented via the change management process.
12. SWBT will make SORD available to CLECs by April 1, 1999.
13. To further improve the billing error resolution process, SWBT has enhanced its billing system error reports to sort by bill date. SWBT's Local Service Center also has created an error resolution team to deal specifically with clearing errors after completion and prior to posting. SWBT has committed to issuing a credit on any bills on which double billing may occur.

### **SECTION 272 COMMITMENTS**

1. SWBT and its long distance affiliate, Southwestern Bell Long Distance (SBLD), agree to comply with the FCC's rules and subsequent Section 271 decisions relating to the structural and nonstructural requirements for a Section 272 affiliate.
2. SWBT commits to maintain its Internet postings of affiliate agreements as follows:
  - (a) SWBT agrees to post the full text of all agreements between SWBT and Southwestern Bell Long Distance (SBLD) on its Internet website, including rates, terms, and conditions of those agreements, frequency of occurrence of transactions

## **ATTACHMENT A**

under the agreements, and information concerning the level, rate of pay, and quantity of employees who perform work under the agreements. SWBT also agrees to post summaries of the agreements on the Internet.

(b) SWBT agrees to post for each agreement, the states where SBLD's operations are supported by the agreement.

(c) SWBT agrees to maintain for each agreement, information indicating the specific FCC pricing methodology used by SWBT to determine the rates for the agreement.

(d) SWBT agrees to maintain on the Internet a posting of the title, address, telephone number, and fax number of the person to contact to review paper copies of the agreements.

3. SWBT commits to maintain at its headquarters in San Antonio detailed information concerning all affiliate transactions between SWBT and SBLD. This information includes the information posted on the Internet as well as the Detailed Billing Reports, which provide the month-by-month billing detail by specific contract, contract schedule, and pricing addendum. SWBT agrees to update the Detailed Billing Reports, which are available for inspection upon execution of a Protective Agreement, on a semi-annual basis.



## **ATTACHMENT B**

### **I. Collocation**

#### **A. General Provisions Relating to Physical Collocation**

1. SWBT agrees to be bound by the final FCC collocation rules.
2. Within 30 days of SWBT filing a revised physical collocation tariff, the Commission will approve the physical collocation tariff and pricing to bring such tariff and pricing into compliance, and keep such tariffs and pricing in compliance, with the FCC final rules on collocation.
3. SWBT shall not require unreasonable minimum space requirements for collocation by the CLEC. The CLEC must be able to purchase collocation space in amounts as small as that sufficient to house and maintain one rack or bay of equipment, (i.e., ten (10) square feet). (FCC - Para. 43)
4. SWBT may not utilize unreasonable segregation requirements to impose unnecessary additional costs on competitors. (FCC - Para. 42)
5. SWBT will apply the same space reservation policies to CLECs that it applies to itself.
6. CLECs shall be entitled to 24 hours per day / 7 days per week access to their collocated equipment (FCC - Para. 49)
7. In order to protect its equipment and its ability to offer service to retail customers, SWBT may impose security arrangements on the CLECs that are as stringent as the security arrangements SWBT maintains at its own "eligible structures" either for its own employees or for authorized contractors. To the extent existing security arrangements are more stringent for one group than the other, SWBT may impose the more stringent requirements. SWBT will not impose discriminatory security requirements that result in increased collocation costs without the concomitant benefit



## ATTACHMENT B

of providing necessary protection of SWBT's equipment. (FCC – Para. 47) ("Eligible structure" has the meaning established under the Amended Collocation Tariff)

8. SWBT shall permit collocating carriers to construct their own cross-connect facilities between collocated equipment located on SWBT's "eligible structures," subject only to the same reasonable safety requirements that SWBT imposes on its own equipment. SWBT shall not require CLECs to purchase any equipment or cross-connect capabilities solely from SWBT itself at tariffed rates. (FCC – Para. 33)
9. Performance measures relating to collocation shall be amended as necessary to comply with the FCC order and amended collocation tariff.
10. Pricing of collocation space:
  - (a) For shared collocation space, SWBT may not increase the cost of site preparation or nonrecurring charges above the cost of provisioning such a cage of similar dimensions and material to a single collocating CLEC. The total charge must be prorated and allocated to a CLEC based on the percentage of the total space used by that CLEC. SWBT will prorate the charge for site conditioning and preparation for conditioning the space for collocation use by determining the charge and allocating that charge to a collocating carrier based on the percentage of the total space used by that carrier. (FCC Para. 41.)
  - (b) SWBT will allocate space preparation, security measures and other collocation charges on a pro-rated basis so the first CLEC in a premises will not be responsible for the entire cost of site preparation. (FCC – Para. 51)

## ATTACHMENT B

### B. Physical Collocation Tariff Revisions

SWBT agrees to amend the physical collocation tariff to incorporate the FCC rules on collocation, the provisions of this agreement, and the concerns that the Commission has deemed valid raised by CLECs during the 271 proceeding. The tariff revisions include:

1. Revised time intervals for price quotations and construction turnaround time: (a) a 10-day interval on notification of availability of space to the CLEC; (b) a 90 day construction turnaround time for active CO space and 140 days for all other space, except for the twenty offices that SWBT will identify in its tariff filing for which other space will be made available in 125 days. To the extent reasonable and necessary, time intervals for cageless collocation shall be shorter than for caged collocation.

Price quote intervals will be as follows and will run concurrent with the ten day notification interval for availability of space:

<u>Number of Applications by One CLEC</u>	<u>Quotation Interval</u>
1-5	10 Business Days
6-20	25 Business Days

Should the collocator submit twenty-one (21) or more applications within five (5) business days, the quotation interval will be increased by five (5) business days for every five (5) additional applications. Any material revision to an application will be treated as a new application and will be subject to the time intervals set forth above.

A CLEC may obtain a shorter interval for the return of price quotes and construction intervals than that set forth in the paragraph above by scheduling a meeting with SWBT at least twenty (20) business days prior to submission of the first application to discuss, coordinate and prioritize the CLEC applications.

## **ATTACHMENT B**

2. In the collocation tariff filing, SWBT will identify augment activities that can be achieved within 15, 30 and 60 day intervals.
3. Revisions and clarifications to the Third Party Review Process, including specifying the requirement that the third party independently evaluate the space reservation by SWBT and collocated CLECs within the CO, and the procedure for appeal of the third party evaluation. Other revisions relating to selection of a third party engineer and timeframes for the Third Party Review Process may also be made.
4. During construction of caged collocation space, CLECs shall be permitted up to four (4) inspections during the construction of Active Central Office Switchroom Space or Other Central Office Space during normal business hours with a minimum of two (2) hours advance notification. If the construction interval is extended beyond the tariffed or agreed upon interval, CLECs will be granted two additional visits per 30 day extension.
5. Ancillary charges for unique CLEC requests for collocation options directly attributable to the requesting carrier will not be prorated. Examples include power arrangements, remote switch module related options and POT bay related options. Non-carrier specific ancillary charges shall be prorated in accordance with FCC requirements. (FCC – Para. 41)
6. Application fees for various collocation options will be established in the tariff proceeding.
7. Revisions relating to space reservation procedures pursuant to the FCC Order and this agreement, including the removal of obsolete unused equipment from the CO upon reasonable request by a competitor or upon order by the Commission. Revisions to clarify that reservation of space by SWBT for future use shall be reasonable and consistent with the FCC Order and this agreement. (FCC – Para.'s 57-60)

## **ATTACHMENT B**

8. Revisions to reflect the FCC Order provisions on types of equipment that can be collocated, and revisions to expedite the procedure for addition and removal of equipment by a CLEC within its designated collocation space. CLECs will certify NEBS Level 1 safety compliance. If it is determined that the equipment is not NEBS Level 1 safety compliant, the CLEC will be responsible for removal of the equipment and all resulting damages. (FCC - Paras. 28-30)
9. Revisions to make the use of a POT frame optional. (FCC Para. 42)
10. Protest language in the tariffs will be removed.

### **C. Collocation Space Available**

1. SWBT agrees to implement the FCC's rules relating to collocation space availability. (FCC – Paras. 57-60)
2. SWBT will notify the CLEC as to whether its request for collocation space has been granted or denied due to lack of space within 10 days of submission of the completed application. In the event of a denial, and within 10 days of the submission of the application, SWBT must submit to the CLEC a report indicating SWBT's available collocation space in a particular "eligible structure". The report must specify the amount of collocation space available at each requested "eligible structure," the number of CLECs collocating, and any modification in the use of the space since the last report. The report must also include measures that SWBT is taking to make additional space available for collocation. The Commission will permit SWBT to recover the costs of implementing this reporting measure from the CLECs in a reasonable manner. (FCC – Para. 58)
3. In the event that SWBT denies a collocation request due to space constraints, the CLEC may request a tour of the entire "eligible structure" in question (not just the room in which space was denied) without charge, such tour to take place within 10 days of the denial of space. If after the tour of the "eligible structure," SWBT and the CLEC disagree about

## ATTACHMENT B

whether space limitations at that "eligible structure" make collocation impractical, the CLEC may initiate a Third Party Review Process, with ultimate review, if necessary by the Commission. In the event a third party or the Commission determines that space is not available, SWBT will not be required to conduct a review of floor space availability in that same central office more frequently than once every six months. For SWBT central offices where space for collocation has been determined by a third party or the Commission to be exhausted, any changes in space availability will be posted on the Internet and provided to the CLECs in an Accessible Letter within 30 days. (FCC - Para. 57)

4. SWBT shall maintain a publicly available document for viewing on the Internet indicating its "eligible structures," if any, that are full; SWBT must update this document within 10 days of the date at which a "eligible structure" runs out of physical collocation space. The Commission will permit SWBT to recover the costs of implementing this requirement from the CLECs in a reasonable manner. (FCC - Paras. 57 & 58)
5. In order to increase the amount of space available for collocation, SWBT must remove obsolete unused equipment from its "eligible structure" upon reasonable request by a CLEC or upon order of the Commission. (FCC - Para. 60)
6. When initially denying a collocating request by a CLEC, SWBT will provide the Commission with a copy of the denial provided to the CLEC unless the CLEC waives the necessity for such filing. In the event of a denial of a CLEC's request for collocation, SWBT shall also submit to the Third Party Reviewer a copy of the report requested by the CLEC and the following information in support of its denial, provided under seal and subject to proprietary protections:
  - a. Central Office Common Language Identifier, where applicable;

## **ATTACHMENT B**

- b. The identity of the requesting CLEC, including amount of space sought by the CLEC;
- c. Total amount of space at the premises;
- d. Detailed Floor plans, including measurements of SWBT's premises, showing:
  - i. Space housing SWBT network equipment or administrative offices;
  - ii. Space which does not currently house SWBT equipment or administrative offices but is reserved by SWBT for future use;
  - iii. Space occupied by or reserved for Collocators;
  - iv. Space, if any, occupied by third parties for other purposes;
  - v. Remaining space, if any;
  - vi. Identification of turnaround space for the switch or other equipment;
  - vii. Planned Central Office rearrangement/expansion plans, if any; and
  - viii. Description of other plans, if any, that may relieve space exhaustion;
- e. Other relevant information requested by the Third Party Reviewer.

### **D. Types of Available Physical Collocation Arrangements.**

SWBT agrees to make each of the arrangements outlined below available within its "eligible structures" in accordance with its approved collocation tariffs so that CLECs will have a variety of collocation options from which to choose. At the option of the CLEC customer, SWBT will provide the following alternate types of physical collocation:

1. Caged Physical Collocation (Dedicated Space). SWBT will provide CLECs with caged physical collocation consistent with the terms of the Physical Collocation Tariff.
2. Shared Physical Collocation. SWBT will provide CLECs with shared physical collocation, where 2 or more CLECs can share a caged collocation space within the "eligible structure." SWBT will not increase the cost of site

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preparation or nonrecurring charges above the cost for provisioning such a cage of similar dimensions and material to a single collocating party. SWBT will prorate the charge for site conditioning and preparation undertaken to construct the shared collocation cage or condition the space, and allocate that charge to each CLEC based upon the percentage of total space utilized by each CLEC. SWBT will not unreasonably restrict a CLEC's use of a shared collocation cage. SWBT will permit each CLEC to order UNES to and provision service from the shared collocation space, regardless of which CLEC was the original collocator. (FCC - Para. 41)

3. Cageless Physical Collocation. SWBT will provide CLECs with cageless physical collocation in any unused space not reserved for future growth within the "eligible structure." SWBT will provide CLECs with an entrance to the central office premises, and once inside, the CLECs will have direct access to their equipment. SWBT will make cageless physical collocation space available in single-bay increments. SWBT will not require CLECs to use an intermediate interconnection arrangement, such as a POT frame. SWBT may, at its option, take reasonable steps to protect its own equipment, such as enclosing it with a wall or cage separating it from the cageless physical collocation space. If there is not sufficient space for SWBT to separate its equipment from the cageless physical collocation space by a wall or cage, SWBT may separate its equipment from the CLEC equipment by tape on the floor or other markings that are not physical separations. Accordingly, SWBT will not provide CLEC personnel or agents with direct access to SWBT's main distribution frame. (FCC - Paras. 42 & 43)
4. Adjacent Space Collocation. When space is legitimately exhausted inside a SWBT "eligible structure," SWBT will permit CLECs to physically collocate in adjacent controlled environmental vaults or similar structures to the extent technically feasible. SWBT will permit CLECs to construct or otherwise procure such adjacent structure, subject only to reasonable safety and maintenance requirements, and zoning

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and other state and local regulations. SWBT will provide power and physical collocation services to such adjacent structures, subject to the same requirements as other collocation arrangements in the tariff. (FCC - Para. 44)

5. Other Physical Collocation Arrangements. SWBT will provide other collocation arrangements that have been demonstrated to be technically feasible on another ILEC premises, unless the SWBT "eligible structure" cannot support the arrangement because of either technical reasons or lack of space. (FCC - Para. 45)

E. Security (Applicable to the Physical Collocation Arrangements as set forth in Section D preceding)

1. Protection of SWBT's equipment is crucial to its ability to offer service to its customers. Therefore, SWBT will impose reasonable security measures to assist in protecting its network and equipment from harm. (FCC - Para. 48)
2. CLECs will conduct background checks of their personnel and technicians who will have access to collocation space. CLEC technicians will be qualified by SWBT in the same way as SWBT qualifies authorized contractors. CLEC personnel and technicians will undergo the same level of security training, or its equivalent that SWBT's own employees and authorized contractors must undergo. (FCC - Para. 48)
3. Disciplinary procedures will be established to ensure the safety and integrity of the "eligible structure" including but not limited to, procedures that require the responsible CLEC employee to be terminated for certain specified actions that damage or place the network or equipment of SWBT or other CLECs in jeopardy.
4. CLECs will provide indemnification and insurance to cover any damages caused by the CLECs' technicians at a level commensurate with the indemnification and insurance provided by SWBT authorized contractors with equivalent access.



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5. SWBT may use reasonable security measures to protect its equipment, including enclosing its equipment in its own cage, security cameras or other monitoring devices, badges with computerized tracking systems, identification swipe cards, keyed access, and/or logs, as appropriate for the "eligible structures" where collocation will take place. The Commission will permit SWBT to recover the costs of implementing these security measures from the CLECs in a reasonable manner. (FCC - Para. 48)
  6. CLECs will have access to their collocated equipment 24 hours a day, seven days a week, without a security escort. The CLEC shall provide SWBT with notice at the time of dispatch of the CLEC's own employee or contractor, to an eligible structure and, if possible, no less than 30 minutes notice for a manned structure and 60 minutes notice for an unmanned structure. SWBT will provide CLECs with reasonable access to restroom facilities and parking. (FCC - Para. 49)
- F. Concurrent with the filing of the revised Physical Collocation Tariff, SWBT will amend Section 26 of its Virtual Collocation Tariff to reflect the agreement in the 271 proceeding to eliminate provisions related to the transfer of title of virtually collocated equipment from CLECs to SWBT. This tariff will also be amended to include the options set forth below and to remove the protest language.
- G. Types of Available Virtual Collocation Arrangements.
- At SWBT's option in central offices, and at SWBT's option in other eligible structures where physical (including cageless) collocation space is available, or at the CLEC's option in CEVs, huts and cabinets where physical collocation space is not available, SWBT will provide one of the following alternate types of virtual collocation:
1. Virtual Collocation wherein SWBT maintains and repairs the collocation equipment, consistent with the terms of the amended Section 25 of its Virtual Collocation Tariff.

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2. Virtual Collocation wherein the CLEC maintains and repairs the virtually collocated equipment. SWBT will provide a security escort with the CLEC paying the expense for the escort. In areas defined in SWBT's local exchange tariff as rate groups 5, 6, 7 and 8, SWBT will provide the security escort within 1 hour of notification by the CLEC. In areas defined in SWBT's local exchange tariff as rate groups 1, 2, 3, and 4, SWBT will provide the security escort as soon as reasonably possible, or within the time frame agreed to by the parties, at the time of notice. Notice will be provided to SWBT's Local Operations Center, which will be available to receive notice 24 hours a day, 7 days a week. The CLEC shall conduct background checks of the technicians who have access to the collocation space. The technicians shall be qualified by SWBT in the same way as SWBT qualifies equipment suppliers with equivalent access. Disciplinary procedures shall be established to ensure the safety and integrity of the "eligible structure," including, *e.g.*, procedures that require the responsible employee to be terminated for certain specified actions that damage or place the equipment of SWBT or other CLECs in jeopardy. SWBT may use security devices, *e.g.*, identification swipe cards, keyed access, and/or logs, as appropriate for the "eligible structure" where collocation will take place. The Commission will permit SWBT to recover the cost of such security devices from the CLECs in a reasonable manner. The CLEC shall provide indemnification and insurance to cover any damages caused by the CLEC's technicians at a level commensurate with the indemnification and insurance provided by SWBT equipment suppliers with equivalent access. Provisioning of equipment required for virtual collocation, *e.g.*, power arrangements and interconnection arrangements will be provided in accordance with SWBT's Virtual Collocation Tariffs and interconnection agreements. In the event the FCC determines that SWBT may not require a security escort, then this Virtual Collocation option is no longer available to the CLEC.

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### **H. Types of Equipment to be Physically or Virtually Collocated.**

- 1. SWBT agrees to allow collocation of all equipment used and useful for interconnection or access to unbundled network elements, regardless of whether such equipment includes a switching functionality, provides enhanced services capabilities, or offers other functionalities. SWBT will permit the collocation of equipment such as DSLAMs, routers, ATM multiplexers, and remote switching modules in SWBT "eligible structures." SWBT may not place any limitations on the ability of CLECs to use all the features, functions, and capabilities of collocated equipment, including but not limited to, switching and routing features and functions. SWBT may deny the collocation of equipment that is not necessary for either access to unbundled network elements or for interconnection, such as equipment used exclusively for switching or enhanced services. The collocating CLEC will certify in writing to SWBT that the equipment is used and useful for interconnection or access to unbundled network elements. (FCC – Paras. 28-30)**
  - 2. SWBT will require that all equipment to be collocated in SWBT's "eligible structures" meets NEBS Level 1 safety requirements, but SWBT may not impose safety requirements on the CLECs that are more stringent than the safety requirements it imposes on its own equipment. (FCC – Para. 36)**
  - 3. SWBT may not deny collocation of CLEC equipment because the equipment fails to meet NEBS reliability standards. (FCC – Para. 35)**
- I. In each application for collocation, the CLEC shall submit a prioritized list of its preferred methods of collocating, consistent with the options outlined in Section I.D. In responding to such a request, SWBT shall advise the CLEC which of its preferred types of collocation is available and provide a price quote within the time interval defined in the tariff.**

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- J. SWBT agrees to conform its Technical Publication(s) on Collocation to this agreement and to the amended tariffs within 45 days of Commission approval of the amended tariffs, and to submit the revised Technical Publication(s) to the Commission for approval prior to publication.

### **II. Provision of Unbundled Network Elements**

- A. Except as modified below, SWBT agrees to make all unbundled network elements (UNEs) set forth in the AT&T Interconnection Agreement available for the term of the Proposed Interconnection Agreement.
- B. SWBT will, except as provided in this section, continue to provide combinations of network elements consistent with its obligations in the AT&T Interconnection Agreement at the applicable charges set forth in the AT&T Interconnection Agreement. For preexisting combined elements, SWBT will not apply a Central Office Access Charge but will apply all other recurring and nonrecurring charges and the electronic service order charge. For combinations requiring work by SWBT, the applicable recurring and nonrecurring charges will apply together with the Central Office Access Charge.
- C. **For service to business customers**, beginning two years after the Commission approves the Proposed Interconnection Agreement:
  - 1. If the FCC or the Commission determines or has determined that a certain network element need not be provided under Section 251(c)(3) of the FTA, either statewide or in a particular location or locations, SWBT may set the price of such network element(s) at a market level for the applicable areas.
  - 2. If the FCC or a court modifies or has modified the TELRIC methodology applicable to unbundled network elements, SWBT may renegotiate the applicable prices for unbundled network elements provided pursuant to Section 251(c)(3).

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3. In those SWBT central offices where there are four (4) or more CLECs collocated for which SWBT has provided UNEs, SWBT may elect to not combine UNEs that are not already combined in that central office. In that event, SWBT will request that all CLECs provide a one (1) year forecast of their expected demand for UNEs in that central office which each CLEC will combine outside of its existing or planned collocation arrangements. Within sixty (60) days of receipt of a CLEC's forecast, SWBT will construct a secured frame room in the central office or, if space is not available, external cross connect cabinet until space becomes available in the central office at no additional cost to the CLEC where the CLEC may combine UNEs. If a CLEC submits such a forecast, SWBT will continue to combine UNEs until the secured frame room or external cross connect cabinet is made available to the CLEC. However, if at any time after a secured frame room or external cross connect cabinet is made available, SWBT is unable to meet a CLEC's forecasted demand for UNEs to be combined through use of these arrangements due to a lack of capacity, SWBT will resume combining UNEs for that CLEC until capacity can be provided. If a CLEC fails to submit such a forecast, SWBT will no longer combine UNEs that are not already combined.
  4. SWBT may not substitute the above described methods of combining UNEs for its own continued performance of such connections at cost based rates if the FCC or reviewing court has determined that the ILECs have an obligation to perform such connections.
- D. **For service to residential customers**, beginning three years after the Commission approves the Proposed Interconnection Agreement:
1. If the FCC or the Commission determines that a certain network element need not be provided under Section 251(c)(3) of the FTA, either statewide or in a particular location or locations, SWBT may set the price of such network element(s) at a market level for the applicable

2. The dedicated transport facility will extend from the CLEC customer's SWBT serving wire center to either the CLEC's collocation cage in a different SWBT central office (in which case, no dedicated transport entrance facility is necessary) or to the CLEC's point of access through a dedicated transport entrance facility. CLECs must order the dedicated transport facility, with any necessary multiplexing, from the CLEC's collocation cage or the CLEC's switch location to the wire center serving the CLEC's end user customer. The CLEC will order each loop as needed and provide SWBT with the Channel Facility Assignment (CFA) to the dedicated transport.
3. Alternatively, a CLEC may cross-connect unbundled loops with the unbundled dedicated transport facilities in its physical collocation space utilizing its own equipment or through the secured frame room in the central office, or if space is not available, in an external cross-connect cabinet until space becomes available in the central office. CLECs wishing to use this option will provide a rolling 12 month forecast, updated every six (6) months, of their expected demand for unbundled loops to be connected with the unbundled dedicated transport facilities in each central office in which the CLEC will combine outside of its existing or planned collocation arrangements. Within sixty (60) days of receipt of a CLEC's forecast for a given central office, SWBT will construct, at no additional cost to the CLEC, a secured frame room in the central office, or, if space is not available, external cross connect cabinet until space becomes available in the central office, where the CLEC may combine unbundled loops with the unbundled dedicated transport facilities. If a CLEC submits such a forecast, SWBT will temporarily combine unbundled loops with the unbundled dedicated transport facilities until the secured frame room or external cross connect cabinet is made available to the CLEC. When the secured frame room or external cross connect cabinet is made available, the CLEC will, within ninety (90) days after providing a forecast for a particular central office or thirty (30) days after receiving appropriate terminal assignment information



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to place connections on the secured frame, whichever is later, replace the temporary connections made by SWBT, effectively half-tapping the existing temporary connections so that the temporary connection can be removed without interrupting the end user's service. When notified by the CLEC that its connections are complete within the period described above, SWBT will remove its temporary connections. If the CLEC fails to notify SWBT that it has placed its connections on the secured frame during that period, SWBT will charge the CLEC the applicable special access recurring and nonrecurring rates, in lieu of the UNE rates. Such special access charges shall be retroactive to the date SWBT began combining the UNEs for the CLEC pursuant to this paragraph. If at any time after a secured frame room or external cross connect cabinet is made available, SWBT is unable to meet a CLEC's forecasted demand for use of these arrangements due to a lack of capacity, SWBT will again temporarily combine unbundled loops with the unbundled dedicated transport facilities as an interim arrangement for that CLEC until capacity can be provided. When capacity is made available, temporary connections performed by SWBT will be removed as described above.

If a CLEC submits forecasts pursuant to this section, and fails to meet fifty percent (50%) of its submitted forecast for any central office, such CLEC will pay SWBT the reasonable costs associated with the unused capacity of the secured frame for that office.

- H. The Proposed Interconnection Agreement will provide that for purposes of this Section and, for the time period(s) specified in this Section, SWBT agrees to waive the right to assert that it need not provide pursuant to the "necessary and impair" standards of Section 251(d)(2), a network element now available under the terms of the AT&T Interconnection Agreement and/or its rights with regard to the combination of any such network elements that are already assembled. Except as provided in subsection (E) above, any CLEC wishing to "opt into" the UNE provisions of the Proposed Interconnection



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Agreement agrees that the UNE provisions of the Proposed Interconnection Agreement are non-severable and "legitimately related" for purposes of Section 252(i). Accordingly, any requesting CLEC agrees to take the UNE provisions of the Proposed Interconnection Agreement in their entirety, without change, alteration or modification, waiving its rights to "pick and choose" UNE provisions from other agreements under Section 252(i). This mutual waiver of rights by the parties will constitute additional consideration for the Proposed Interconnection Agreement.

SWBT's agreement as set out above is expressly conditioned on a finding by the Commission that the UNE provisions of the Proposed Interconnection Agreement are non-severable and "legitimately related" for purposes of Section 252(i).

Any CLEC that does not wish to take the UNE provisions of the Proposed Interconnection Agreement may exercise its rights under Section 252(i) to "opt into" other "legitimately related" sections or portions of the Proposed Interconnection Agreement

### **III. Appeals**

- A. SWBT agrees to dismiss with prejudice its appeal SWBT v. AT&T and the Public Utility Commission of Texas, Case Nos. 98-51005, 99-50060, and 99-50073, U.S. Court of Appeals, Fifth Circuit.
- B. SWBT will remove the protest language from the Physical and Virtual Collocation Tariffs. SWBT will not include any protest language in the Proposed Interconnection Agreement.
- C. SWBT reserves all rights to contest any order or decision requiring the payment of reciprocal compensation for ISP traffic, including the right to seek refunds or to implement a new system of reciprocal compensation, pursuant to regulatory or judicial approval.
- D. SWBT reserves the right to appeal any state or federal regulatory decision, but, absent a stay or reversal, will comply with any such final decision as expressly set forth herein.

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- E. Nothing in this Agreement limits SWBT's right or ability to participate in any proceedings regarding the proper interpretation and/or application of the FTA.

### **IV. Reciprocal Compensation**

The Proposed Interconnection Agreement will provide the following options for reciprocal compensation:

- A. A CLEC may "MFN" into the reciprocal compensation arrangements contained in the existing AT&T interconnection agreement for the life of that agreement.
- B. A CLEC may elect either of the following:
  - 1. SWBT offers and a CLEC may elect, subject to mutually agreeable audit provisions, a reciprocal compensation arrangement for the transport and termination of local wireline traffic based upon a bill and keep arrangement and a meet point billing arrangement for ISP traffic, or in the alternative;
  - 2. A CLEC may elect to negotiate, and if necessary submit for arbitration, alternative reciprocal compensation arrangements for the transport and termination of local wireline traffic and ISP traffic as allowed by federal law.

### **V. xDSL-Based and Other Advanced Services Technology ("Loop Technologies")**

- A. For loop technologies that comply with existing industry standards will be presumed acceptable for deployment, including: T1.601, T1.413, and TR28. Additionally any loop technology specifically approved by the FCC or any state regulatory commission; a technology approved by an industry standards body; a technology which has been successfully deployed by any carrier without significantly degrading the performance of other services will be presumed acceptable for deployment.

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1. The term "significantly degrade" means noticeable impairment of service from a user's perspective. The Commission shall determine whether a technology significantly degrades the performance of other services. As industry standards are ratified for new technologies, such technologies will be presumed acceptable for deployment.
  2. CLECs wishing to introduce a technology that has been approved by another state commission, or successfully deployed elsewhere will provide documentation to SWBT and the Commission before or coincident with their request to deploy such technology. Documentation should include the date of state approval or deployment of the technology, any limitations included in its deployment, and proof that deployment did not significantly degrade the performance of other services.
- B. SWBT shall not deny a carrier's request to deploy any of the loop technologies listed in paragraph A. above unless it has demonstrated to the Commission that the CLEC's deployment of its loop technology will significantly degrade the performance of other advanced services or traditional voice band services. In the event SWBT rejects a CLEC request for provisioning of advanced services, SWBT must disclose to the requesting carrier information with respect to the rejection, together with the specific reason for the rejection.
- C. For a twelve-month period commencing on the date of Commission approval of the Proposed Interconnection Agreement, a CLEC may order loops for the provision of service other than those listed in Paragraph A. above on a trial basis without the need to make any showing to the Commission. Each technology trial will not be deemed successful until it has been deployed without significant degradation for 12 months or until national standards have been established, whichever occurs first. A CLEC that provisions loop technologies described in this Section shall assume full and sole responsibility for any damage, service interruption or other telecommunications service degradation effects and will indemnify SWBT for any damages to SWBT's facilities, as well

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as any other claims for damages, including but not limited to direct, indirect or consequential damages made upon SWBT by any provider of telecommunications services or telecommunications user (other than any claim for damages or losses alleged by an end-user of SWBT for which SWBT shall have sole responsibility and liability), when such arises out of, or results from, the use of such loop technologies, described in this Section C. Further, the CLEC agrees that it will undertake to defend SWBT against and assume payment for all costs or judgments arising out of any such claims made against SWBT resulting from the provisioning of services under this Section C. SWBT shall provide the same indemnification should it provide services under Section C.

The CLEC deploying loop technology pursuant to this Section, as well as any CLEC opting into the "Proposed Interconnection Agreement," agrees not to contend in any other state that the loop technology deployed on a trial basis pursuant to this Section has been "successfully deployed" as that term is used in paragraph 67 of FCC 99-48.

- D. One year from date of Commission approval of the Proposed Interconnection Agreement for deployment of loop technologies other than those listed in paragraph A. above, SWBT will not deny a requesting CLEC's right to deploy a new loop technology if the requesting CLEC can demonstrate to the Commission that the loop technology will not significantly degrade the performance of other advanced services or traditional voice band services. (FCC 99-48 Para. 69)
- E. SWBT will not guarantee that the local loop ordered will perform as desired by the CLEC for XDSL-based or other advanced services, but will guarantee basic metallic loop parameters including continuity, and pair balance.
- F. SWBT will assign loops so as to minimize interference between and among advanced services, including xDSL-based services, and other services. In all cases, SWBT will manage spectrum in a competitively neutral manner consistent with all relevant industry standards.

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- G. With respect to loop technologies included in paragraphs A, C and D above, and to the extent no national industry standards for spectrum management for these loop technologies have been issued, SWBT, CLECs and the Commission shall jointly establish long-term competitively neutral spectral compatibility standards and spectrum management rules and practices so that all carriers know the rules for loop technology deployment. The standards, rules and practices shall be developed to maximize the deployment of new technologies within binder groups while minimizing interference, and shall be forward-looking and able to evolve over time to encourage innovation and deployment of advanced services. These standards to be used until such time as [national] industry standards exist. CLECs that offer xDSL-based service consistent with mutually agreed-upon standards developed by the industry in conjunction with the Commission, or by the Commission in the absence of industry agreement, may order local loops based on agreed-to performance characteristics. SWBT will assign the local loop consistent with the agreed-to spectrum management standards.
- H. Within a reasonable period of time after general availability of equipment conforming to industry standards or the mutually agreed upon standards developed by the industry in conjunction with the Commission, a CLEC or SWBT providing non-standard xDSL or other advanced service must bring its service and equipment into compliance with the standard at its own expense.
- I. If SWBT or another CLEC claims that a service is significantly degrading the performance of other advanced services or traditional voice band services, then SWBT or that other CLEC must notify the causing carrier and allow that carrier a reasonable opportunity to correct the problem. Any claims of network harm must be supported with specific and verifiable supporting information. In the event that SWBT or a CLEC demonstrates to the Commission that a deployed technology is significantly degrading the performance of other advanced services or traditional voice band services, the carrier deploying the technology shall discontinue deployment of that technology

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and migrate its customers to technologies that will not significantly degrade the performance of other such services.

- J. SWBT agrees that as a part of spectrum management it will maintain an inventory of the existing services provisioned on the cable, and manage the spectrum in a non-discriminatory manner regardless of whether the service is provided by a CLEC or by SWBT. SWBT agrees that where disputes arise, it will put forth a good faith effort to resolve such disputes in a timely manner. As a part of the dispute resolution process SWBT concurs that it will disclose information as detailed in paragraph 2 below so that the involved parties may examine the deployment of services within the affected loop plant. [FCC 99-48 Para 73]
1. For xDSL-based and other advanced services technologies, a CLEC will advise SWBT of the type of specific technology(ies) (including PSD masks) the CLEC intends to provision over an unbundled SWBT loop.
  2. SWBT will disclose within 3 to 5 business days to a requesting CLEC information with respect to the number of loops using advanced services technology within the binder group and the type of technology deployed on those loops.
- K. Effective April 4, 1999, SWBT began providing mechanized access to a loop length indicator for use with xDSL-based or other advanced services in specific SWBT wire centers via enhancements to Verigate and Datagate upon a request by a CLEC which is collocated or has ordered collocation in a wire center and has advised SWBT of its intent to order DSL capable loops. This information, available through Verigate and Datagate, is an indication of the approximate loop length, based on a 26 gauge equivalent and calculated on the basis of Distribution Area distance from the central office.
- L. To the extent SWBT is technically able to access the following in its retail operations, SWBT will develop and deploy mechanized and integrated Operations Support Systems that will permit: (1) real-time CLEC access through an electronic

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gateway to a database that contains the loop makeup information; (2) mechanized, flow-through ordering, loop design, and provisioning for any xDSL loop type listed in the table above. SWBT, the Commission and CLECs shall jointly pursue, in a timely manner, an industry standard mechanized OSS solution to accessing loop qualification data. (271 approval is not contingent upon completion of this mechanized ordering OSS feature).

- M. SWBT shall provision and install CLEC loops at an interval that is at parity with the actual intervals achieved by SWBT retail or its affiliates.
- N. In the event that the FCC or the industry establishes long-term standards and practices and policies relating to spectrum compatibility and spectrum management that differ from those established pursuant to paragraph D. above, SWBT agrees to comply with the FCC and/or industry standards and practices and policies.

### **VI. MLT Testing**

SWBT agrees to provide access to MLT testing to allow CLECs to test their end users' lines for which SWBT combines UNEs, for CLECs that combine UNEs they obtain from SWBT, and for CLECs that resell SWBT services as follows:

- A. On January 1, 1998 and January 1, 1997, respectively, SWBT made available MLT testing functionality through SWBT's Toolbar Trouble Administration to allow CLECs to test their end-user lines for which SWBT combines POTS-like UNEs (analog line side port and 2-wire 8db analog loop) purchased by CLEC from SWBT and CLEC's that resell SWBT POTS services.
- B. By March 31, 1999, SWBT will make MLT testing functionality available through its Toolbar Trouble Administration to allow CLECs to test their end user lines for CLEC's that combine POTS-like UNEs (analog line side port and 2-wire 8db analog loop) purchased from SWBT.

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### **VII. Performance Measurements**

- A. 20 days prior to its filing with the FCC for interLATA authority under Section 271, SWBT will provide three months of validated data where the sample size is 10 or greater for each reported measurement per CLEC per month, that is collected and reported on a disaggregated basis for all the performance measurements established by the Commission in Project No. 16251, with the exception of those performance measures established after 1-1-99 and those which require new systems or modification of existing systems such as NXX and 911.
- B. 90% of the validated Tier-2 performance measurement results where the sample size is 10 or greater for each reported measurement per month aggregated for all CLECs should demonstrate parity or compliance with the associated benchmark for two months of the relevant three-month period. However, SWBT will not be responsible for CLEC acts or omissions that caused performance measures to be missed, e.g., accumulation and submission of orders at unreasonable quantities or times, and SWBT shall have the opportunity to present proof of such CLEC acts or omissions.
- C. SWBT agrees to the Performance Remedy Plan established in the collaborative process which is attached as Schedules 1, 2 and 3.
- D. The Commission will resolve the following issues as noted:
  - 1. The business rules for the Commission-approved performance measures will be completed by May 31, 1999 in Project 16251.
  - 2. Performance measure No. 2 for EDI pre-ordering and data validation for the performance measures will be addressed in Docket No. 20000, consistent with the time frames in that Docket.
  - 3. Performance measurements for xDSL will be finalized within 30 days after the Arbitrators' award in Docket Nos. 20226 and 20272 currently pending before the Commission.



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- E. It is the intention of the parties that no later than two years after SWBT or its affiliate receives Section 271 relief, the number of performance measures subject to damages and assessments should be reduced by at least 50%.
- F. SWBT will not be liable for the payment of either Tier 1 damages or Tier 2 assessments until the Commission approves the Proposed Interconnection Agreement between a CLEC and SWBT. Tier 2 assessments will only be paid on the aggregate performance for CLECs that are operating under the Proposed Interconnection Agreement.
- G. SWBT agrees with the revised performance measure standards for FOCs (Nos. 5 and 6); LNP (Nos. 1-11); Trunk Blockage (Nos. 70-71); and Trunk Measurements (Nos. 75 and 78); attached hereto as Schedule 4.
- H. In addition to the provisions set forth in the Performance Remedy Plan, SWBT shall not be obligated to pay liquidated damages or assessments for noncompliance with a performance measure if the Commission finds such noncompliance was the result of an act or omission by a CLEC that is in bad faith, for example, unreasonably holding orders and/or applications and "dumping" such orders or applications in unreasonably large batches, at or near the close of a business day, on a Friday evening or prior to a holiday, or unreasonably failing to timely provide forecasts to SWBT for services or facilities when such forecasts are required to reasonably provide such services or facilities; or non-SWBT Y2K problems.

### **VIII. Additional Agreement Terms**

- A. SWBT has no obligation to implement the commitments set forth in this Memorandum unless the Commission finds that the terms and conditions of the Proposed Interconnection Agreement, when executed, meets the requirements of Section 271(c), conditioned only on the completion of Project No. 20000. Further, if the FCC rejects SWBT's 271 Application, or fails to approve SWBT's application by January 1, 2000, the commitments made in this Memorandum will be enforceable

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only for one-year from the date the Commission approves the Proposed Interconnection Agreement.

- B. Upon the FCC's approval of SWBT's 271 Application, the one-year term of the Proposed Interconnection Agreement will be automatically extended for an additional period of three years subject to the provisions of Section II (C) and (D), and Section III (C) and (D) of this Memorandum.
- C. SWBT agrees not to challenge the contractual commitments incorporating the terms and conditions of this Memorandum. To the extent that any other party or entity challenges the lawfulness of any provision of this Memorandum and a court determines that one or more provisions are unlawful, then this Memorandum and any contractual and regulatory commitments made pursuant to this Memorandum are null and void. In that event, the parties will have a period not to exceed 135 days in which to negotiate a replacement interconnection agreement.
- D. Along with the Proposed Interconnection Agreement, SWBT will file a document explaining its Section 252(i) "MFN" policy, outlining the sections or portions of the Proposed Interconnection Agreement that are "legitimately related" for purposes of allowing a CLEC to obtain access to any individual interconnection, service or network element available under the Proposed Interconnection Agreement.

## **Schedule-1**

### **Performance Remedy Plan**

SWBT agrees with this two-tiered enforcement structure for performance measurements. The Commission approved performance measurements identify the measurements that belong to Tier-1 or Tier-2 categories, which are further, identified as the High, Low and Medium groups as those terms are used below and shown in Schedule-2.

SWBT concurs that the use of a statistical test, namely the modified “Z-test,” for the difference between the two means (SWBT and CLEC) or two percentages, or the difference in the two proportions is appropriate for determining parity. SWBT agrees that the modified Z-tests as outlined below are the appropriate statistical tests for the determination of parity when the result for SWBT and the CLEC are compared. The modified Z-tests are applicable if the number of data points are greater than 30 for a given measurement. In cases where benchmarks are established, the determination of compliance is through the comparison of the measured performance delivered to the CLEC and the applicable benchmark. For testing compliance for measures for which the number of data points are 29 or less, although the use of permutation tests as outlined below is appropriate comparison of performance delivered to CLECs with SWBT performance as described in Alternative-1 under the “Qualifications to use Z-Test” heading below is preferred.

SWBT concurs that the definition of performance measure parity should be that the parity exists when the measured results in a single month (whether in the form of means, percents, or proportions) for the same measurement, at equivalent disaggregation, for both SWBT and CLEC are used to calculate a Z-test statistic and the resulting value is no greater than the critical Z-value as reflected in the Critical Z-statistic table shown below.

#### **Z-Test:**

SWBT agrees with the following formulae for determining parity using Z-Test:

For Measurement results that are expressed as Averages or Means:

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$$z = (\text{DIFF}) / \sigma_{\text{DIFF}}$$

Where;

$$\text{DIFF} = M_{\text{ILEC}} - M_{\text{CLEC}}$$

$M_{\text{ILEC}}$  = ILEC Average

$M_{\text{CLEC}}$  = CLEC Average

$$\sigma_{\text{DIFF}} = \text{SQRT} [\delta_{\text{ILEC}}^2 (1/n_{\text{CLEC}} + 1/n_{\text{ILEC}})]$$

$\delta_{\text{ILEC}}^2$  = Calculated variance for ILEC.

$n_{\text{ILEC}}$  = number of observations or samples used in ILEC measurement

$n_{\text{CLEC}}$  = number of observations or samples used in CLEC measurement

For Measurement results that are expressed as Percentages or Proportions:

Step 1:

$$\rho = \frac{(n_{\text{ILEC}}P_{\text{ILEC}} + n_{\text{CLEC}}P_{\text{CLEC}})}{n_{\text{ILEC}} + n_{\text{CLEC}}}$$

Step 2:

$$\sigma_{P_{\text{ILEC}}-P_{\text{CLEC}}} = \text{sqrt}[[\rho(1-\rho)]/n_{\text{ILEC}} + [\rho(1-\rho)]/n_{\text{CLEC}}]$$

Step 3:

$$Z = (P_{\text{ILEC}} - P_{\text{CLEC}}) / \sigma_{P_{\text{ILEC}}-P_{\text{CLEC}}}$$

Where: n = Number of Observations

P = Percentage or Proportion

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For Measurement results that are expressed as Rates or Ratio:

$$Z = (\text{DIFF}) / \sigma_{\text{DIFF}}$$

Where;

$$\text{DIFF} = R_{\text{ILEC}} - R_{\text{CLEC}}$$

$$R_{\text{ILEC}} = \text{num}_{\text{ILEC}} / \text{denom}_{\text{ILEC}}$$

$$R_{\text{CLEC}} = \text{num}_{\text{CLEC}} / \text{denom}_{\text{CLEC}}$$

$$\sigma_{\text{DIFF}} = \text{SQRT} [R_{\text{ILEC}} (1/\text{denom}_{\text{CLEC}} + 1/\text{denom}_{\text{ILEC}})]$$

#### **Qualifications to use Z-Test:**

The proposed Z- tests are applicable to reported measurements that contain 30 or more data points.

In calculating the difference between the performances the formula proposed above applies when a larger CLEC value indicates a higher quality of performance. In cases where a smaller CLEC value indicates a higher quality of performance the order of subtraction should be reversed ( i.e.,  $M_{\text{CLEC}} - M_{\text{ILEC}}$ ,  $P_{\text{CLEC}} - P_{\text{ILEC}}$ ,  $R_{\text{CLEC}} - R_{\text{ILEC}}$  ).

For measurements where the applicable performance criterion is a benchmark rather than parity performance compliance will be determined by setting the denominator of the Z-test formula as one in calculating the Z-statistic.

For measurements where the performance delivered to CLEC is compared to SWBT performance and for which the number of data points are 29 or less, SWBT agrees to application of the following. alternatives for compliance.

#### **Alternative 1: (preferred)**

1. For measurements that are expressed as averages, performance delivered to a CLEC for each observation shall not exceed the ILEC averages plus the applicable critical Z-value. If the CLEC's performance is outside the ILEC average plus the critical Z-value and it is the second consecutive month, SWBT can utilize the Z-test as applicable for sample sizes 30 or greater or the permutation test to provide evidence of parity. If SWBT uses the Z-test for samples under 30, the CLEC can independently perform the permutation test to validate SWBT's results.

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2. For measurements that are expressed as percentages, the percentage for CLEC shall not exceed ILEC percentage plus the applicable critical Z-value. If the CLEC's performance is outside the ILEC percentage plus the critical Z-value and it is the second consecutive month, SWBT can utilize the Z-test as applicable for sample sizes 30 or greater or the permutation test to provide evidence of parity. If SWBT uses the Z-test for samples under 30, the CLEC can independently perform the permutation test to validate SWBT's results.

#### **Alternative 2:**

Permutation analysis will be applied to calculate the z-statistic using the following logic:

1. Choose a sufficiently large number T.
2. Pool and mix the CLEC and ILEC data sets
3. Randomly subdivide the pooled data sets into two pools, one the same size as the original CLEC data set ( $n_{CLEC}$ ) and one reflecting the remaining data points, (which is equal to the size of the original ILEC data set or  $n_{ILEC}$ ).
4. Compute and store the Z-test score ( $Z_s$ ) for this sample.
5. Repeat steps 3 and 4 for the remaining T-1 sample pairs to be analyzed. (If the number of possibilities is less than 1 million, include a programmatic check to prevent drawing the same pair of samples more than once).
6. Order the  $Z_s$  results computed and stored in step 4 from lowest to highest.
7. Compute the Z-test score for the original two data sets and find its rank in the ordering determined in step 6.
8. Repeat the steps 2-7 ten times and combine the results to determine  $P =$  (Summation of ranks in each of the 10 runs divided by  $10T$ )
9. Using a cumulative standard normal distribution table, find the value  $Z_A$  such that the probability (or cumulative area under the standard normal curve) is equal to P calculated in step 8.
10. Compare  $Z_A$  with the desired critical value as determined from the critical Z table. If  $Z_A >$  the designated critical Z-value in the table, then the performance is non-compliant.

SWBT and the CLECs jointly will provide software and technical support as needed by Commission Staff for purposes of utilizing the permutation analysis.

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#### **Overview of Enforcement Structure**

SWBT agrees with the following methodology for developing the liquidated damages and penalty assessment structure for tier-1 liquidated damages and tier-2 assessments:

Liquidated Damages payable to the CLEC should be available as self-executing damages as a part of a contractual obligation. Liquidated damages apply to Tier-1 measurements identified as High, Medium, or Low on Schedule-2.

Assessments are applicable to Tier-2 measures identified as High, Medium, or Low on Schedule-2 and are payable to the Texas State Treasury.

#### **Procedural Safeguards and Exclusions**

SWBT agrees that the application of the assessments and damages provided for herein is not intended to foreclose other noncontractual legal and regulatory claims and remedies that may be available to a CLEC. By incorporating these liquidated damages terms into an interconnection agreement, SWBT and CLEC agree that proof of damages from any “noncompliant” performance measure would be difficult to ascertain and, therefore, liquidated damages are a reasonable approximation of any contractual damage resulting from a non-compliant performance measure. SWBT and CLEC further agree that liquidated damages payable under this provision are not intended to be a penalty.

SWBT’s agreement to implement these enforcement terms, and specifically its agreement to pay any “liquidated damages” or “assessments” hereunder, will not be considered as an admission against interest or an admission of liability in any legal, regulatory, or other proceeding relating to the same performance. The Proposed Interconnection Agreement will contain language whereby SWBT and the CLEC(s) agree that the CLEC(s) may not use: (1) the existence of this enforcement plan; or (2) SWBT’s payment of Tier-1 “liquidated damages” or Tier-2 “assessments” as evidence that SWBT has discriminated in the provision of any facilities or services under Sections 251 or 252, or has violated any state or federal law or regulation. SWBT’s conduct underlying its performance measures, and the

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performance data provided under the performance measures, however, are not made inadmissible by these terms. Any CLEC accepting this performance remedy plan agrees that SWBT's performance with respect to this remedy plan may not be used as an admission of liability or culpability for a violation of any state or federal law or regulation. Further, any liquidated damages payment by SWBT under these provisions is not hereby made inadmissible in any proceeding relating to the same conduct where SWBT seeks to offset the payment against any other damages a CLEC might recover; whether or not the nature of damages sought by the CLEC is such that an offset is appropriate will be determined in the related proceeding. The terms of this paragraph do not apply to any proceeding before the Commission or the FCC to determine whether SWBT has met or continues to meet the requirements of section 271 of the Act.

SWBT shall not be liable for both Tier-2 "assessments" and any other assessments or sanctions under PURA or the Commission's service quality rules relating to the same performance.

Every six months, SWBT, CLECs, and Commission representatives will review the performance measures to determine whether measurements should be added, deleted, or modified; whether the applicable benchmark standards should be modified or replaced by parity standards; and whether to move a classification of a measure to High, Medium, Low, Diagnostic, Tier-1 or Tier-2. The criterion for reclassification of a measure shall be whether the actual volume of data points was lesser or greater than anticipated. Criteria for review of performance measures, other than for possible reclassification, shall be whether there exists an omission or failure to capture intended performance, and whether there is duplication of another measurement. Performance measures for 911 may be examined at any six month review to determine whether they should be reclassified. The first six-month period will begin when an interconnection agreement including this remedy plan is adopted by a CLEC and approved by the Commission. Any changes to existing performance measures and this remedy plan shall be by mutual agreement of the parties and, if necessary, with respect to new measures and their appropriate classification, by arbitration. The current measurements and benchmarks will be in effect until modified hereunder or expiration of the interconnection agreement.



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#### **Exclusions Limited**

SWBT shall not be obligated to pay liquidated damages or assessments for noncompliance with a performance measurement if, but only to the extent that, such noncompliance was the result of any of the following: a Force Majeure event; an act or omission by a CLEC that is contrary to any of its obligations under its interconnection agreement with SWBT or under the Act or Texas law; or non-SWBT problems associated with third-party systems or equipment, which could not have been avoided by SWBT in the exercise of reasonable diligence. Provided, however, the third party exclusion will not be raised more than three times within a calendar year. SWBT will not be excused from payment of liquidated damages or assessments on any other grounds, except by application of the procedural threshold provided for below. Any dispute regarding whether a SWBT performance failure is excused under this paragraph will be resolved with the Commission through a dispute resolution proceeding under Subchapter Q of its Procedural Rules or, if the parties agree, through commercial arbitration with the American Arbitration Association. SWBT will have the burden in any such proceeding to demonstrate that its noncompliance with the performance measurement was excused on one of the grounds set forth in this paragraph.

An overall cap of \$ 120 million per year for Tier-1 liquidated damages and Tier-2 Assessments is appropriate. However, whenever SWBT Tier-1 payments to an individual CLEC in a month exceed \$ 3 million, or for all CLECs Tier-1 payments (in a month) exceed \$ 10 million then SWBT may commence a show cause proceeding as provided for below. Upon timely commencement of the show cause proceeding, SWBT must pay the balance of damages owed in excess of the threshold amount into escrow, to be held by a third party pending the outcome of the show cause proceeding. To invoke these escrow provisions, SWBT must file with the Commission, not later than the due date of the affected damages payments, an application to show cause why it should not be required to pay any amount in excess of the procedural threshold. SWBT's application will be processed in an expedited manner under Subchapter Q of the Commission's Procedural Rules. SWBT will have the burden of proof to demonstrate why, under the circumstances, it would be unjust to require it to pay liquidated damages in excess of the applicable threshold amount. If SWBT reports non-compliant performance to a CLEC for three consecutive months on 20% or more of the measures reported to the CLEC, but SWBT has incurred no more than \$ 1 million

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in liquidated damages obligations to the CLEC for that period under the enforcement terms set out here, then the CLEC may commence an expedited dispute resolution under this paragraph pursuant to Subchapter Q of the Commission's Procedural Rules. In any such proceeding the CLEC will have the burden of proof to demonstrate why, under the circumstances, justice requires SWBT to pay damages in excess of the amount calculated under these enforcement terms.

With respect to any interconnection agreement, SWBT and any CLEC may request two expedited dispute resolution proceedings pursuant to the two preceding paragraphs before the Commission or, if the parties agree, through commercial arbitration with the American Arbitration Association (AAA); during the term of the contract without having to pay attorneys fees to the winning company; for the third proceeding and thereafter, the requesting party must pay attorneys fees, as determined by the Commission or AAA, if that party loses.

In the event the aggregate amount of Tier-1 damages and Tier-2 assessments reach the \$120 million cap within a year and SWBT continues to deliver non-compliant performance during the same year to any CLEC or all CLECs, the Commission may recommend to the FCC that SWBT should cease offering in-region interLATA services to new customers.

#### **Tier-1 Damages:**

Tier-1 liquidated damages apply to measures designated in Attachment-1 as High, Medium, or Low when SWBT delivers "non-compliant" performance as defined above.

Under the damages for Tier-1 measures, the number of measures that may be classified as "non-compliant" before a liquidated damage is applicable is limited to the K values shown below. The applicable K value is determined based upon the total number of measures with a sample size of 10 or greater that are required to be reported to a CLEC where a sufficient number of observations exist in the month to permit parity conclusions regarding a compliant or non-compliant condition. For any performance measurement, each disaggregated category for which there are a minimum of 10 data points constitutes one "measure" for

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purposes of calculating K value. The designated K value and the critical Z-value seek to balance random variation, Type-1 and Type-2 errors. Type-1 error is the mistake of charging an ILEC with a violation when it may not be acting in a discriminatory manner (that is, providing non-compliant performance). Type-2 error is the mistake of not identifying a violation when the ILEC is providing discriminatory or non-compliant performance.

Liquidated damages in the amount specified in the table below apply to all "non-compliant" measures in excess of the applicable "K" number of exempt measures. Liquidated damages apply on a per occurrence basis, using the amount per occurrence taken from the table below, based on the designation of the measure as High, Medium, or Low in Schedule-2 and the number of consecutive months for which SWBT has reported noncompliance for the measure. For those measures listed on Schedule-3 as "Measurements that are subject to per occurrence damages or assessments with a cap," the amount of liquidated damages in a single month shall not exceed the amount listed in the table below for the "Per measurement" category. For those measures listed on Schedule-3 as "Measurements that are subject to per measure damages or assessment," liquidated damages will apply on a per measure basis, at the amounts set forth in the table below. The methodology for determining the order of exclusion, and the number of occurrences is addressed in "Methods of calculating the liquidated damages and penalty amounts," below.

#### LIQUIDATED DAMAGES TABLE FOR TIER-1 MEASURES

Per occurrence						
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
High	\$150	\$250	\$500	\$600	\$700	\$800
Medium	\$75	\$150	\$300	\$400	\$500	\$600
Low	\$25	\$50	\$100	\$200	\$300	\$400

Per Measure/Cap						
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
High	\$25,000	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000
Medium	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000
Low	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000

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**ASSESSMENT TABLE FOR TIER-2 MEASURES**

**Per occurrence**

Measurement Group	
High	\$500
Medium	\$300
Low	\$200

**Per Measure/Cap**

Measurement Group	
High	\$75,000
Medium	\$30,000
Low	\$20,000

**Tier-2 Assessments to the State:**

Assessments payable to the Texas State Treasury apply to the Tier-2 measures designated on Schedule-2 as High, Medium, or Low when SWBT performance is out of parity or does not meet the benchmarks for the aggregate of all CLEC data. Specifically, if the Z-test value is greater than the Critical Z, the performance for the reporting category is out of parity or below standard.

For those Measurements where a per occurrence assessment applies, an assessment as specified in the Assessment Table; for each occurrence is payable to the Texas State Treasury for each measure that exceeds the Critical Z-value, shown in the table below, for three consecutive months. For those Measurements listed in Schedule-3 as measurements subject to per occurrence with a cap, an assessment as shown in the Assessment Table above for each occurrence with the applicable cap is payable to the Texas State Treasury for each measure that exceeds the Critical Z-value, shown in the table below, for three consecutive months. For those Tier-2 Measurements listed in Schedule-3 as subject to a per measurement assessment an assessment amount as shown in the Assessment Table above is payable to the Texas State Treasury for each measure that exceeds the Critical Z-value, shown in the table below, for three consecutive months.

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The following table will be used for determining the Critical Z-value for each measure, as well as the K values referred to below based on the total number of measures that are applicable to a CLEC in a particular month. The table can be extended to include CLECs with fewer performance measures.

**Critical Z - Statistic Table**

Number of Performance Measures	K Values	Critical Z-value
10-19	1	1.79
20-29	2	1.73
30-39	3	1.68
40-49	3	1.81
50-59	4	1.75
60-69	5	1.7
70 -79	6	1.68
80 - 89	6	1.74
90 - 99	7	1.71
100 - 109	8	1.68
110 -119	9	1.7
120 - 139	10	1.72
140 - 159	12	1.68
160 - 179	13	1.69
180 - 199	14	1.7
200 - 249	17	1.7
250 - 299	20	1.7
300 - 399	26	1.7
400 - 499	32	1.7
500 - 599	38	1.72
600 - 699	44	1.72
700 - 799	49	1.73
800 - 899	55	1.75
900 - 999	60	1.77
1000 and above	Calculated for Type-1 Error Probability of 5%	Calculated for Type-1 Error Probability of 5%

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#### **General Assessments:**

If SWBT fails to submit performance reports by the 20th day of the month, the following assessments apply unless excused for good cause by the Commission:

If no reports are filed, \$5,000 per day past due;  
If incomplete reports are filed, \$1,000 per day for each missing performance results.

If SWBT alters previously reported data to a CLEC, and after discussions with SWBT the CLEC disputes such alterations, then the CLEC may ask the Commission to review the submissions and the Commission may take appropriate action. This does not apply to the limitation stated under the section titled "Exclusions Limited."

When SWBT performance creates an obligation to pay liquidated damages to a CLEC or an assessment to the State under the terms set forth herein, SWBT shall make payment in the required amount on or before the 30<sup>th</sup> day following the due date of the performance measurement report for the month in which the obligation arose (e.g., if SWBT performance through March is such that SWBT owes liquidated damages to CLECs for March performance, or assessments to the State for January – March performance, then those payments will be due May 15, 30 days after the April 15 due date for reporting March data). For each day after the due date that SWBT fails to pay the required amount, SWBT will pay interest to the CLEC at the maximum rate permitted by law for a past due liquidated damages obligation and will pay an additional \$3,000 per day to the Texas State Treasury for a past due assessment.

SWBT may not withhold payment of liquidated damages to a CLEC, for any amount up to \$3,000,000 a month, unless SWBT had commenced an expedited dispute resolution proceeding on or before the payment due date, asserting one of the three permitted grounds for excusing a damages payment below the procedural threshold (Force Majeure, CLEC fault, and non-SWBT problems associated with third-party systems or equipment). In order to invoke the procedural threshold provisions allowing for escrow of damages obligations in excess of \$ 3,000,000 to a single CLEC (or \$ 10,000,000 to all CLECs), SWBT must pay the threshold

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amount to the CLEC(s), pay the balance into escrow, and commence the show cause proceeding on or before the payment due date.

### **Methods of Calculating the Liquidated Damage and Assessment Amounts**

The following methods apply in calculating per occurrence liquidated damage and assessments:

#### **Tier-1 Liquidated Damages**

#### **Application of K Value Exclusions**

Determine the number and type of measures with a sample size greater than 10 that are “non-compliant” for the individual CLEC for the month, applying the parity test and bench mark provisions provided for above. Sort all measures having non-compliant classification with a sample size greater than 10 in ascending order based on the number of data points or transactions used to develop the performance measurement result (e.g., service orders, collocation requests, installations, trouble reports). Exclude the first “K” measures designated Low on Schedule-2, starting with the measurement results having the fewest number of underlying data points greater than 10. If all Low measurement results with a non-compliant designation are excluded before “K” is exceeded, then the exclusion process proceeds with the Medium measurement results and thereafter the High measurement results. If all Low, Medium and High measurements are excluded, then those measurements with sample sizes less than 10 may be excluded until “K” measures are reached. In each category measurement results with non-compliant designation having the fewest underlying data point are then excluded until either all non-compliant measurement results are excluded or “K” measures are excluded, whichever occurs first. For the remaining non-compliant measures that are above the K number of measures, the liquidated damages per occurrence are calculated as described further below. (Application of the K value may be illustrated by an example, if the K value is 6, and there are 7 Low measures and 1 Medium and 1 High which exceed the Critical Z-value, the 6 Low measures with the lowest number of service orders used to develop the performance measure are not used to calculate the liquidated damages, while the remaining Low measures and 2 Medium and High measures which exceed the critical Z-value are used.) In applying the K value, the following qualifications apply to the general rule for excluding measures by progression from measures

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with lower transaction volumes to higher. A measure for which liquidated damages are calculated on a per measure basis will not be excluded in applying the K value unless the amount of liquidated damages payable for that measure is less than the amount of liquidated damages payable for each remaining measure. A measure for which liquidated damages are calculated on a per occurrence basis subject to a cap will be excluded in applying the K value whenever the cap is reached and the liquidated damages payable for the remaining non-compliant measures are greater than the amount of the cap.

#### **Calculating Tier-1 Liquidated Damages**

##### Measures for Which the Reporting Dimensions are Averages or Means.

- Step 1: Calculate the average or the mean for the measure for the CLEC that would yield the Critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).
- Step 2: Calculate the percentage difference the between the actual average and the calculated average.
- Step 3: Multiply the total number of data points by the percentage calculated in the previous step and the per occurrence dollar amount taken from the Liquidated Damages Table to determine the applicable liquidated damages for the given month for that measure.

##### Measures for Which the Reporting Dimensions are Percentages.

- Step 1: Calculate the percentage for the measure for the CLEC that would yield the Critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).



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- Step 2: Calculate the difference between the actual percentage for the CLEC and the calculated percentage.
- Step 3: Multiply the total number of data points by the difference in percentage calculated in the previous step and the per occurrence dollar amount taken from the Liquidated Damages Table to determine the applicable liquidated damages for the given month for that measure.

### **Measures for Which the Reporting Dimensions are Ratios or Proportions.**

- Step 1: Calculate the ratio for the measure for the CLEC that would yield the Critical Z-value. Use the same denominator as the one used in calculating the Z-statistic for the measure.
- Step 2: Calculate the percentage difference between the actual ratio for the CLEC and the calculated ratio.
- Step 3: Multiply the total number of data points by the percentage calculated in the previous step and the per occurrence dollar amount taken from the Liquidated Damages Table to determine the applicable liquidated damages for the given month for that measure.

### **Tier-2 Assessments**

Determine the Tier-2 measurement results, such as High, Medium, or Low that are non-compliant for three consecutive months for all CLECs, or individual CLEC if the measure is not reported for all CLECs.

If the non-compliant classification continues for three consecutive months, an additional assessment will apply in the third month and in each succeeding month as calculated below, until SWBT reports performance that meets the applicable criterion. That is, Tier-2 assessments will apply on a “rolling three month” basis, one assessment for the average number of occurrences for months 1-3, one assessment for the average number of occurrences for months 2-4, one assessment

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for the average number of occurrences for months 3-5, and so forth, until satisfactory performance is established.

#### Measures for Which the Reporting Dimensions are Averages or Means.

- Step 1: Calculate the average or the mean for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).
- Step 2: Calculate the percentage difference between the actual average and the calculated average for the third consecutive month.
- Step 3: Multiply the total number of data points by the percentage calculated in the previous step. Calculate the average for three months and multiply the result by \$500, \$300, and \$200 for Measures that are designated as High, Medium, and Low respectively; to determine the applicable assessment payable to the Texas State Treasury for that measure.

#### Measures for Which the Reporting Dimensions are Percentages.

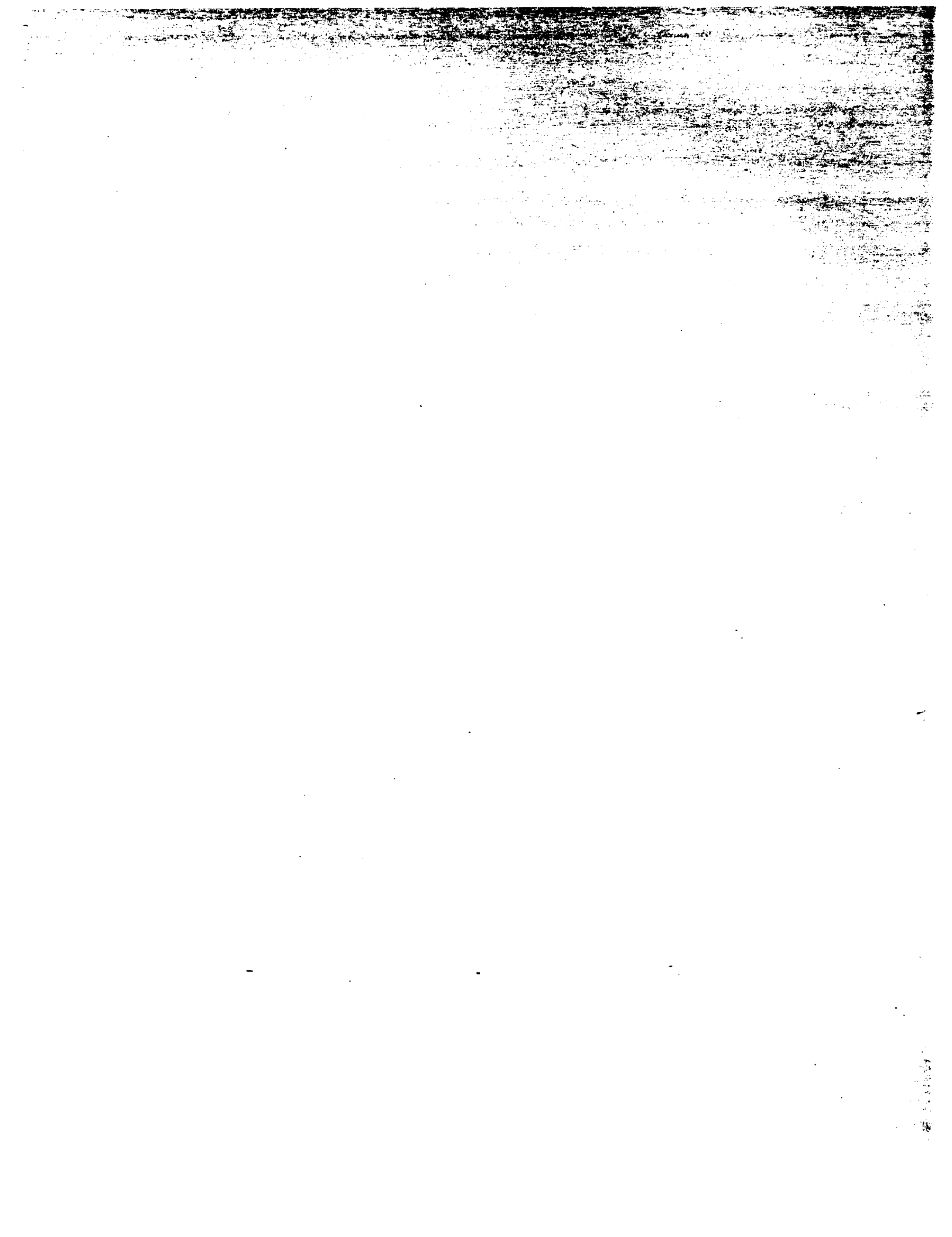
- Step 1: Calculate the percentage for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).
- Step 2: Calculate the difference between the actual percentage for the CLEC and the calculated percentage for each of the three non-compliant months.
- Step 3: Multiply the total number of data points for each month by the difference in percentage calculated in the previous step. Calculate the

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average for three months and multiply the result by \$500, \$300, and \$200 for measures that are designated as High, Medium, and Low respectively; to determine the applicable assessment for that measure.

Measures for Which the Reporting Dimensions are Ratios or Proportions.

- Step 1: Calculate the ratio for the measure for the CLEC that would yield the Critical Z-value for the third consecutive month. Use the same denominator as the one used in calculating the Z-statistic for the measure. (For benchmark measures, substitute the benchmark value for the value calculated in the preceding sentences).
- Step 2: Calculate the percentage difference between the actual ratio for the CLEC and the calculated ratio for each month of the non-compliant three-month period.
- Step 3: Multiply the total number of service orders by the percentage calculated in the previous step for each month. Calculate the average for three months and multiply the result by \$500, \$300, and \$200 for measures that are designated as High, Medium, and Low respectively; to determine the applicable assessment for that measure.



Schedule-2

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages			Measurement Groups Subject to Tier-2 Assessments		
	Low	Med	High	Low	Med	High
<b>I. RESALE POTS, RESALE SPECIALS AND UNES</b>						
<b>A. Pre-Ordering/Ordering</b>						
1. Average Response Time For OSS Pre-Order Interfaces.	✓	-	-	-	X	-
2. Percent Response received within "X" Seconds	✓	-	-	-	X	-
3. EASE Average Response Time	-	-	-	-	-	-
4. OSS Interface Availability	-	-	-	-	-	X
5. % Firm Order Confirmations (FOCs) Received Within "X" Hours	✓	-	-	-	X	-
6. Average Time To Return FOC	-	-	-	-	-	-
7. Percent Mechanized Completions Returned Within 1 Hour	✓	-	-	-	-	-
8. Average Time to Return Mechanized Completions	✓	-	-	-	-	-
9. Percent Rejects	-	-	-	-	-	-
10. Percent Mechanized Rejects Returned Within 1 Hour of EDI/LASR	✓	-	-	-	-	-
11. Mean Time to Return Mechanized Rejects	-	-	-	-	-	-
12. Mechanized Provisioning Accuracy	✓	-	-	X	-	-
13. Order Process Percent Flow Through	✓	-	-	-	-	X
<b>B. Billing</b>						
14. Billing Accuracy	-	-	-	-	-	-
15. Percent of Accurate And Complete Formatted Mechanized Bills	✓	-	-	-	-	X
16. Percent Of Billing Records Transmitted Correctly	✓	-	-	-	-	-
17. Billing Completeness	✓	-	-	-	X	-
18. Billing Timeliness (Wholesale Bill)	✓	-	-	-	-	X
19. Daily Usage Feed Timeliness	-	-	-	-	-	-
20. Unbillable Usage	-	-	-	-	-	-
<b>C. Miscellaneous Administrative</b>						
21. LSC Average Speed Of Answer	-	-	-	-	-	-

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages				Measurement Groups Subject to Tier-2 Assessments			
	Low	Med	High		Low	Med	High	
22. LSC Grade Of Service (GOS)	-	-	-		-	-	X	
23. Percent Busy in the Local Service Center	-	-	-		X	-	-	
24. LOC Average Speed Of Answer	-	-	-		-	-	-	
25. LOC Grade Of Service (GOS)	-	-	-		-	-	X	
26. Percent Busy in the LOC	-	-	-		X	-	-	

### II. RESALE POTS AND UNE LOOP AND PORT COMBINATIONS COMBINED BY SWBT

#### A. Provisioning

27. Mean Installation Interval	-	-	✓		-	-	-	X
28. Percent Installations Completed Within "X" Business Days (POTS)	-	-	-		-	-	-	-
29. Percent SWBT Caused Missed Due Dates	-	-	✓		-	-	-	X
30. Percent Company Missed Due Dates Due To Lack Of Facilities	✓	-	-		-	-	-	-
31. Average Delay Days For Missed Due Dates Due To Lack Of Facilities	-	-	-		-	-	-	-
32. Average Delay Days For SWBT Missed Due Dates	-	✓	-		-	-	-	-
33. Percent SWBT Caused Missed Due Dates greater than 30 days	✓	-	-		-	-	-	-
34. Count of orders canceled after the due date which were caused by SWBT	-	-	-		-	-	-	-
35. Percent Trouble Reports Within 10 Days (1-10) Of Installation	-	-	✓		-	-	-	X
36. Percent No Access ( Trouble Reports With no Access)	-	-	-		-	-	-	-

#### B. Maintenance

37. Trouble Report Rate	-	-	✓		-	-	-	X
38. Percent Missed Repair Commitments	-	-	✓		-	-	-	X
39. Receipt To Clear Duration	-	-	✓		-	-	-	X
40. Percent Out Of Service (OOS) < 24 Hours	-	✓	-		-	-	-	-
41. Percent Repeat Reports	-	-	✓		-	-	-	X
42. Percent No Access (% of Trouble reports with No Access)	-	-	-		-	-	-	-

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages			Measurement Groups Subject to Tier-2 Assessments		
	Low	Med	High	Low	Med	High

### III. RESALE SPECIALS AND UNE LOOP AND PORT COMBINATIONS COMBINED BY SWBT

#### A. Provisioning

43. Average Installation Interval	-	-	✓	-	-	X
44. Percent Installations Completed Within "X" Business Days	-	-	-	-	-	-
45. Percent SWBT Caused Missed Due Dates	-	-	✓	-	-	X
46. Percent Installation Reports (Trouble Reports) Within 30 Days (1-30) Of Installation	-	-	✓	-	-	X
47. Percent Missed Due Dates Due To Lack Of Facilities	✓	-	-	-	-	-
48. Delay Days For Missed Due Dates Due To Lack Of Facilities	-	-	-	-	-	-
49. Delay Days For SWBT Missed Due Dates	-	✓	-	-	-	-
50. Percent SWBT Caused Missed Due Dates greater than 30 days	✓	-	-	-	-	-
51. Count of orders canceled after the due date which were caused by SWBT	-	-	-	-	-	-

#### B. Maintenance

52. Mean Time To Restore	-	-	✓	-	-	X
53. Percent Repeat Reports	-	-	✓	-	-	X
54. Failure Frequency	✓	-	-	-	-	-

### IV. UNBUNDLED NETWORK ELEMENTS (UNES)

#### A. Provisioning

55. Average Installation Interval	-	-	-	-	-	-
56. Percent Installations Completed Within "X" Business Days	-	-	✓	-	-	X
57. Average Responses time for Loop Make-up Information	✓	-	-	-	X	-
58. Percent SWBT Caused Missed Due Dates	-	-	✓	-	-	X
59. Percent Installation Reports (Trouble Reports) Within 30 Days (1-30) Of Installation	-	-	✓	-	-	X

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages				Measurement Groups Subject to Tier-2 Assessments			
	Low	Med	High		Low	Med	High	
60. Percent Missed Due Dates Due To Lack Of Facilities	✓	-	-		-	-	-	
61. Average Delay Days For Missed Due Dates Due To Lack Of Facilities	-	-	-		-	-	-	
62. Average Delay Days For SWBT Missed Due Dates	-	✓	-		-	-	-	
63. Percent SWBT Caused Missed Due Dates greater than 30 days	✓	-	-		-	-	-	
64. Count of orders canceled after the due date which were caused by SWBT	-	-	-		-	-	-	
<b>B. Maintenance</b>								
65. Trouble Report Rate	-	-	✓		-	-	-	X
66. Percent Missed Repair Commitments	-	-	✓		-	-	-	X
67. Mean Time To Restore	-	-	✓		-	-	-	X
68. Percent Out Of Service (OOS) < "X" Hours	-	✓	-		-	-	-	-
69. Percent Repeat Reports	-	-	✓		-	-	-	X
<b>V. INTERCONNECTION TRUNKS</b>								
70. Percent Trunk Blockage	-	-	✓		-	-	-	X
71. Common Transport Trunk Blockage	-	-	-		-	-	-	X
72. Distribution Of Common Transport Trunk Groups Exceeding 2%	-	-	-		-	-	-	-
73. Percent Missed Due Dates	-	✓	-		-	-	-	-
74. Average Delay Days For Missed Due Dates	✓	-	-		-	-	-	-
75. Percent SWBT Caused Missed Due Dates greater than 30 days	✓	-	-		-	-	-	-
76. Average Trunk Restoration Interval	✓	-	-		-	-	-	-
77. Average Trunk Restoration Interval for Service Affecting Trunk Groups	-	-	✓		-	-	-	X
78. Average Interconnection Trunk Installation Interval	-	-	✓		-	-	-	X
<b>VI. DIRECTORY ASSISTANCE (DA) AND OPERATOR SERVICES (OS)</b>								
79. Directory Assistance Grade Of Service	-	-	-		-	-	-	-



Schedule-2

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages				Measurement Groups Subject to Tier-2 Assessments			
	Low	Med	High		Low	Med	High	
80. Directory Assistance Average Speed Of Answer	-	-	-		X	-	-	-
81. Operator Services Grade Of Service	-	-	-		-	-	-	-
82. Operator Services Average Speed Of Answer	-	-	-		X	-	-	-
83. Percent Calls Abandoned	-	-	-		-	-	-	-
84. Percent Calls Deflected	-	-	-		-	-	-	-
85. Average Work Time	-	-	-		-	-	-	-
86. Non-Call Busy Work Volumes	-	-	-		-	-	-	-

**VII. INTERIM NUMBER PORTABILITY (INP)**

87. % Installation Completed Within "x" (3, 7, 10) Business Days	-	-	-	-	-	-	-	-
88. Average INP Installation Interval	✓	-	-	-	-	-	-	-
89. Percent INP I-Reports Within 30 Days	-	✓	-	-	-	-	-	-
90. Percent Missed Due Dates	-	✓	-	-	-	-	-	-

**VI LOCAL NUMBER PORTABILITY (LNP)**

91. Percent LNP Due Dates within Industry Guide Lines	-	-	-	-	-	-	-	-
92. Percent of time the old service Provider Releases Subscription prior to the expiration of the second 9 hour timer	-	-	-	-	-	-	-	-
93. Percent of customer account restructured prior to LNP Due Dates	✓	-	-	-	-	-	-	-
94. Percent FOCs received within "X": hours	✓	-	-	-	-	X	-	-
95. Average Response time for Non-mechanized Rejects returned with complete and accurate codes	✓	-	-	-	-	-	-	-
96. Percent premature Disconnects for LNP Orders	✓	-	-	-	-	-	-	-
97. Percent of Time SWBT applies the 10-digit trigger prior to the LNP Order Due date.	-	-	✓	✓	-	-	-	X
98. Percent LNP I-Reports in 10 days	-	-	✓	✓	-	-	-	X

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages				Measurement Groups Subject to Tier-2 Assessments			
	Low	Med	High		Low	Med	High	
99. Average Delay Days for SWBT Missed Due Dates	-	✓	-		-	X	-	
100. Average Time of out of service for LNP conversions	-	-	✓		-	-	X	
101. Percent Out of Service < 60 Minutes	-	✓	-		-	X	-	

**VIII. 911**

102. Average Time To Clear Errors	✓	-	-	-	-	-	-
103. % accuracy for 911 database updates	✓	-	-	-	-	-	-
104. Average Time Required to Update 911 Database (Facility Based Providers)	✓	-	-	-	-	-	-

**IX. POLES, CONDUIT AND RIGHTS OF WAY**

105. % of requests processed within 35 days	✓	-	-	-	-	-	-
106. Average Days Required to Process a Request	-	-	-	-	-	-	-

**X. COLLOCATION**

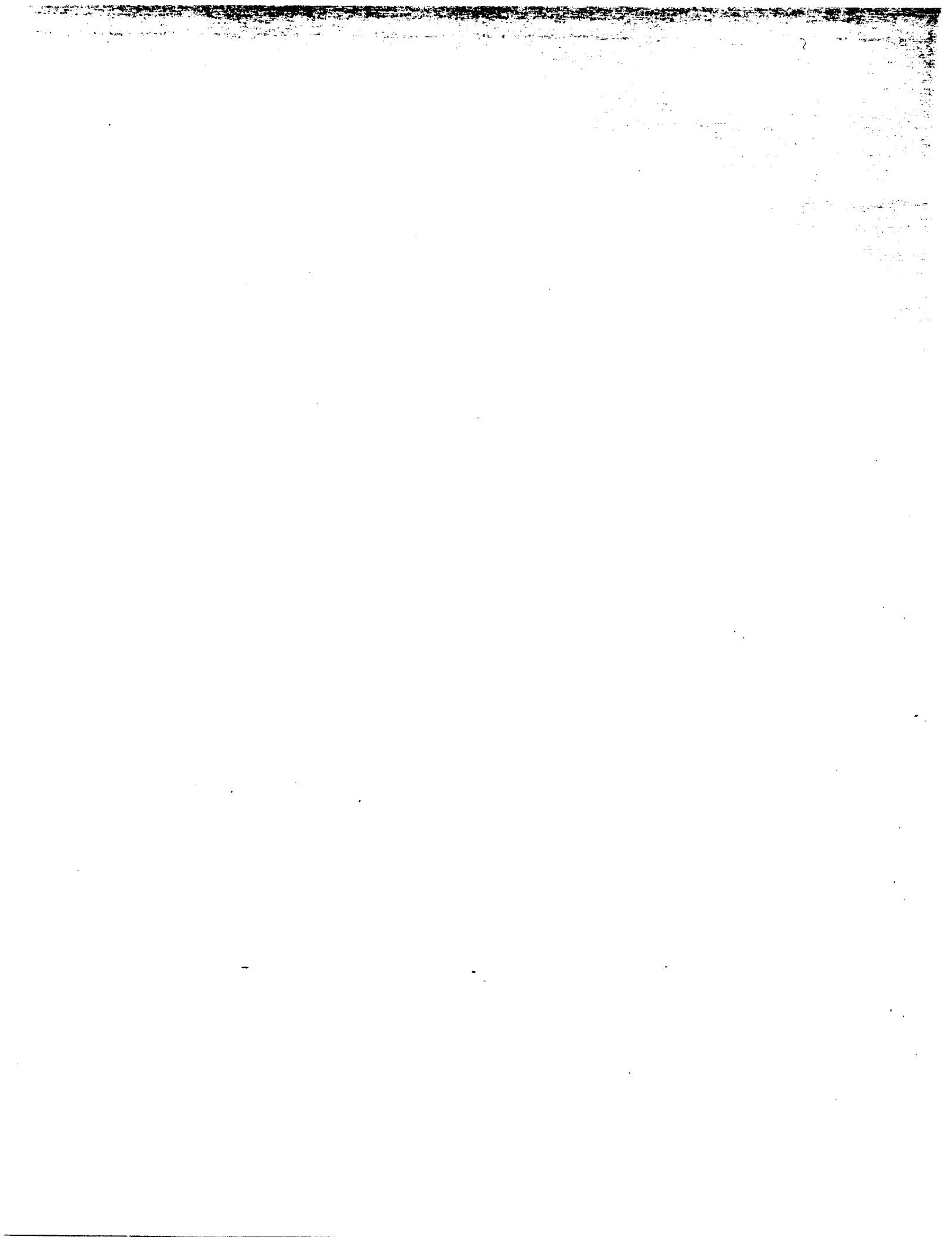
107. % Missed Collocation Due Dates	-	-	-	✓	-	-	X
108. Average Delay Days For SWBT Missed Due Dates	✓	-	-	-	-	-	-
109. % of requests processed within <u>the tariffed timelines</u>	✓	-	-	-	-	-	-

**XI. DIRECTORY ASSISTANCE DATABASE**

110. % of updates completed into the DA Database within 72 Hours for facility based CLECs	✓	-	-	-	-	-	-
111. Average Update Interval for DA database for facility based CLECs	✓	-	-	-	-	-	-
112. % DA Database Accuracy For Manual Updates	✓	-	-	-	-	-	-

Schedule-2

Recommended Performance Measures	Measurement Groups Subject to Tier-1 Damages			Measurement Groups Subject to Tier-2 Assessments		
	Low	Med	High	Low	Med	High
113. % of electronic updates that flow through the DSR process without manual intervention	✓	-	-	-	-	-
<b>XII. COORDINATED CONVERSIONS</b>						
114. % Pre-mature disconnects (Coordinated Cutovers)	-	-	✓	-	-	X
115. % SWBT caused delayed Coordinated Cutovers	✓	-	-	-	-	-
116. % Missed mechanized INP conversions	-	✓	-	-	-	-
<b>XIII. NXX</b>						
117. % NXXs loaded and tested prior to the LERG effective date	-	-	✓	-	-	X
118. Average Delay Days for NXX loading and testing	✓	-	-	-	-	-
119. Mean Time to Repair	-	-	✓	-	-	X
<b>XIV. BONA FIDE REQUEST PROCESS (BFRs)</b>						
120. % of requests processed within 45 business days	-	-	-	-	-	-
121. % Quotes Provided for Authorized BFRs within 30 business days	-	-	✓	-	-	X
<b>Total</b>	<b>40</b>	<b>11</b>	<b>30</b>	<b>5</b>	<b>8</b>	<b>37</b>



### **Schedule-3**

#### **Measurements that are subject to per occurrence damages or assessment with a cap**

- 1 Average Responses time for OSS Preorder Interfaces (1) (Tier-1 - Low, Tier-2 - Med.)
- 2 Percent Response received within "X" Seconds (2) (Tier-1 - Low, Tier-2 - Med.)
- 3 % Firm Order Confirmations (FOCs) Received Within "X" Hours (5) (Tier-1 - Low, Tier-2 - Med.)
- 4 Order Process Percent Flow Through (13) (Tier-1 - Low, Tier-2 - High)
- 5 Percent Mechanized Completions Returned Within 1 Hour (7) (Tier-1 - Low, Tier-2 - Low)
- 6 Mechanized Provisioning Accuracy (12) (Tier-1 - Low, Tier-2 - Low)
- 7 Percent of Accurate And Complete Formatted Mechanized Bills (15) (Tier-1 - Low, Tier-2 - High)
- 8 Percent Of Billing Records Transmitted Correctly (16) (Tier-1 - Low, Tier-2 - Low)
- 9 Billing Completeness (17) (Tier-1 - Low, Tier-2 - Med.)
- 10 Billing Timeliness (Wholesale Bill) (18) (Tier-1 - Low, Tier-2 - Low)
- 11 Percent Trunk Blockage (70) (Tier-1 - High, Tier-2 - High)

#### **Measurements that are subject to per measure damages or assessment**

- 1 % NXXs loaded and tested prior to the LERG effective date (117) (Tier-1 - High, Tier-2 - High)
- 2 % Quotes Provided for Authorized BFRs within 30 business days (121) (Tier-1 - High, Tier-2 - High)
- 3 LSC Grade Of Service (GOS) (22) ) (Tier-2 - High)
- 4 Percent Busy in the Local Service Center (23) (Tier-2 - Low)
- 5 LOC Grade Of Service (GOS) (25) (Tier-2 - High)
- 6 Percent Busy in the LOC (26) (Assessment Only) (Tier-2 - Low)
- 7 Common Transport Trunk Blockage (71) (Tier-2 - High)
- 8 OSS Interface Availability (4) (Tier-2 - High)



## Schedule 4

### 5. Measurement:

Percent Firm Order Confirmations (FOCs) Returned Within "x" Hours

#### Definition:

Percent of FOCs returned within a specified time frame from receipt of valid service request to return of confirmation to CLEC

#### Exclusions:

- Rejected orders
- SWBT only Disconnect orders
- Orders involving major projects

#### Business Rules:

Start Date/Time can be either: LSR RECEIVE Date/Time or Manager Over-Ride LSR RECEIVE Date/Time End Date/Time can be either: DISTRIBUTION Date/Time or FAX Date/Time or Current Date (when the FAX Date/Time does not exist). If the start/time is outside of normal business hours then the start date/time is set to 8:00am on the next good business day. Examples: If the start date/time is outside of normal business hours then the start date/time is set to 8:00am on the next good business day: Example: If the request is received M-F between 8:00am to 5:00pm; the valid start time will be M-F between 8:00am to 5:00pm. If the actual request is received M-Th after 5:00pm and before 8:00am next day; the valid start time will be the next business day at 8:00am. If the actual request is received Fri after 5:00pm and before 8:00am Mon; the valid start time will be at 8:00am Mon. If the request is received on a Holiday (anytime); the valid start time will be the next business day at 8:00am. The returned confirmation to the CLEC will establish the actual end date/time.

FOC business rules are established to reflect the Local Service Center (LSC) normal hours of operation, which include M-F, 8:00am-5:30pm, excluding, holiday and weekends. Provisions are established within the DSS reporting systems to accommodate situations when the LSC works holidays, weekends and when requests are received outside normal working hours.

#### LEX/EDI

For LEX and EDI originated LSRs, the receive date and time is also dynamically populated on the SM-FID once all ordering edits are satisfied and the service order has a distribution date and time in SORD. The end date and time is recorded by both LEX and EDI and reflect the actual date and time the FOC is returned to the CLEC. This data is extracted daily from LEX and EDI and passed to our DSS (Decision Support System) where the end date and time are populated and are then used to calculate the FOC measurements. For LSRs where FOC times are negotiated with the CLEC the ITRAK entry on the SORD service order is used in the calculation. The request type from the LSR and the Class of Service tables are used to report the LSRs in the various levels of disaggregation. The Class of Service tables are based on the Universal Service Order practice.

## Schedule 4

<b>6. Measurement:</b>	
Average Time To Return FOC	
<b>Definition:</b>	
The average time to return FOC from receipt of valid service request to return of confirmation to CLEC	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• Rejected Orders</li> <li>• SWBT only Disconnect orders</li> <li>• Orders involving major projects</li> </ul>	
<b>Business Rules:</b>	
See Measurement No. 5	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• All Res. And Bus. &lt; 24 Hours</li> <li>• Complex Business (1-200 Lines) &lt; 24 Hours</li> <li>• Complex Business (&gt;200 Lines) &lt; 48 Hours</li> <li>• UNE Loop (1-49 Loops) &lt; 24 Hours</li> <li>• UNE Loop ( &gt; 50 Loops) &lt; 48 Hours</li> <li>• Switch Ports &lt; 24 Hours</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\frac{\Sigma[(\text{Date and Time of FOC}) - (\text{Date and Time of Order Acknowledgment})]}{(\# \text{ of FOCs})}$	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	NO
Tier-2	NO
<b>Benchmark:</b>	
No Benchmark	



## Schedule 4

### LOCAL NUMBER PORTABILITY (LNP)

<b>1. Measurement:</b>	
Percent LNP Only due dates within Industry Guidelines	
<b>Definition:</b>	
Percent of LNP Due date interval that meets the industry standard established by the North American Numbering Council (NANC).	
<b>Exclusions:</b>	
<ul style="list-style-type: none"><li>• CLEC or Customer caused or requested delays</li><li>• NPAC caused delays</li></ul>	
<b>Business Rules:</b>	
Industry guidelines for due dates for LNP are as follows: <ul style="list-style-type: none"><li>• For Offices in which NXXs are previously opened – 3 Business days</li><li>• New NXX – 5 Business days on LNP capable NXX</li></ul> The above-noted due dates are from the date of the FOC receipt.	
For partial LNP conversions that require restructuring of customer account <ul style="list-style-type: none"><li>• (1-30 TNs) add one additional day to the FOC interval. The LNP due date intervals will continue to be 3 business days and 5 business days from the receipt of the FOC depending on whether the NXX has been previously opened or is new.</li><li>• (&gt;30 TNs, including entire NXX) the due dates are negotiated.</li></ul>	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"><li>• NXXs previously opened and NXX new ( 1-30 TNs and greater than 30 TNs)</li></ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of LNP TNs implemented within Industry guidelines ÷ total number of LNP TNs ) *100	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	NO
Tier-2	NO
<b>Benchmark:</b>	
96.5%. The benchmark will be revised either up or down if industry guidelines are established that are different than the objective stated here.	

## Schedule 4

<b>2. Measurement:</b>	
Percent of time the old service provider releases the subscription prior to the expiration of the second 9 hour (T2) timer	
<b>Definition:</b>	
Percent of time the old service provider releases subscription(s) to NPAC within the first (T1) or the second (T2) 9-hour timers.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• Customer caused or requested delays</li> <li>• NPAC caused delays</li> <li>• Cases where SWBT did the release but the New Service Provider did not respond prior to the expiration of the T2 timer. This sequence of events causes the NPAC to send a cancel of SWBT's release request. In these cases SWBT may have to do re-work to release the TN so it can be ported to meet the due date.</li> </ul>	
<b>Business Rules:</b>	
Number of LNP TNs for which subscription to NPAC was released prior to the expiration of the second 9-hour (T2) timer	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Number of LNP TNs for which subscription to NPAC was released prior to the expiration of the second 9-hour (T2) timer ÷ total number of LNP TNs for which the subscription was released) *100	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	NO
Tier-2	NO
<b>Benchmark:</b>	
96.5%. The benchmark will be revised either up or down if industry guidelines are established that are different than the objective stated here.	

## Schedule 4

<b>3. Measurement:</b>	
Percent of customer accounts restructured prior to LNP order due date	
<b>Definition:</b>	
Percent of accounts restructured within the LNP order due date established in measurement No 1, and/or negotiated due date for orders that contain more than 30 TNs	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Business Rules:</b>	
See Measurement No. 1	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Number of LNP orders for which customer accounts were restructured prior to LNP due date) ÷ (total number of LNP orders that require customer accounts to be restructured) *100	Reported for CLEC and all CLECs
<b>Measurement Type</b>	
Tier-1	YES
Tier-2	NO
<b>Benchmark:</b>	
96.5%	

## Schedule 4

<b>4. Measurement:</b>	
Percent FOCs received within "x" hours	
<b>Definition:</b>	
Percent of FOCs returned within a specified time frame from receipt of complete and accurate LNP or LNP with Loop service request to return of confirmation to CLEC	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• Rejected orders</li> <li>• SWBT only Disconnect orders</li> <li>• Orders involving major projects</li> </ul>	
<b>Business Rules:</b>	
See Business Rule for FOCs	
<b>Levels of Disaggregation:</b>	
<b>Manually submitted:</b>	
<ul style="list-style-type: none"> <li>• LNP Only (1-19) &lt; 24 Clock Hours</li> <li>• LNP with Loop (1-19) &lt; 24 Clock Hours</li> <li>• LNP Only (20+ Loops) &lt; 48 Clock Hours</li> <li>• LNP with Loop (20+ Loops) &lt; 48 Clock Hours</li> <li>• LNP Complex Business (1-19 Lines) &lt; 24 Clock Hours</li> <li>• LNP Complex Business (20-50 Lines) &lt; 48 Clock Hours</li> <li>• LNP Complex Business (50+ Lines) &lt; Negotiated with Notification of Timeframe within 24 Clock Hours</li> </ul>	
<b>Electronically submitted via LEX or EDI:</b>	
<ul style="list-style-type: none"> <li>• Simple Residence and Business LNP Only (1-19) &lt; 5 Business Hours</li> <li>• Simple Residence and Business LNP with Loop (1-19) &lt; 5 Business Hours</li> <li>• LNP Only (20+ Loops) &lt; 48 Clock Hours</li> <li>• LNP with Loop (20+ Loops) &lt; 48 Clock Hours</li> <li>• LNP Complex Business (1-19 Lines) &lt; 24 Clock Hours</li> <li>• LNP Complex Business (20-50 Lines) &lt; 48 Clock Hours</li> <li>• LNP Complex Business (50+ Lines) &lt; Negotiated with Notification of Timeframe within 24 Clock Hours</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(# FOCs returned within "x" hours ÷ total FOCs sent) * 100	Reported for CLEC and all CLECs This includes mechanized from EDI and LEX and manual (FAX or phone orders)
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
95%	

## Schedule 4

<b>5. Measurement:</b>	
Average Reject interval for Non-Mechanized LNP Orders returned with complete and accurate error codes.	
<b>Definition:</b>	
Average Response time for returning rejected non-mechanized LNP orders with complete and accurate identification of CLEC caused errors in the order	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Business Rules:</b>	
<p>For each non-mechanized order track Start time: Receipt date/time of non-mechanized order and End time: transmittal time of rejection notification of the order due to CLEC-caused errors. The difference between the two is the duration in hours. Obtain cumulative total for all non-mechanized LNP/LNP with Loop orders for the month. SWBT will track the performance for this measurement until its EDI interfaces are tested and approved as satisfactory by the Commission. Subsequent to the above finding a CLEC that continues to use manual process should track the performance delivered by SWBT and report to SWBT any sub-standard performance. The CLEC has the burden to prove any dispute regarding sub-standard performance.</p>	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• LNP, LNP with Loop</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\frac{\Sigma(\text{Date \& Time of LNP Order} - \text{Date and Time LNP Order Acknowledgement})}{\text{Total Number of non-mechanized LNP Orders Rejected}}$	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
<b>Tier-1</b>	YES (SWBT-NO, CLEC – YES)
<b>Tier-2</b>	NO (SWBT-NO, CLEC – NO)
<b>Benchmark:</b>	
5 Business Hours (SWBT-NO, CLEC – 100% in 4 hours)	

## Schedule 4

<b>6. Measurement:</b>	
Percent Pre-mature Disconnects for LNP TNs	
<b>Definition:</b>	
Percent of LNP cutovers where SWBT prematurely removes the translations, including the 10 digit trigger, prior to the scheduled conversion time.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>Coordinated Conversions</li> </ul>	
<b>Business Rules:</b>	
The count of incidents, on a TN basis, where the translations are removed prior to the scheduled conversion. Count the number of cutovers that are prematurely disconnected (10 minutes before scheduled conversion time).	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>LNP only and LNP with Loop</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
Count of premature disconnects ÷ total LNP conversions * 100	Reported by CLEC and all CLECs disaggregated by LNP and LNP with UNE loop.
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	NO
<b>Benchmark:</b>	
2% or Less premature disconnects starting 10 minute before schedule due time.	

## Schedule 4

<b>7. Measurement:</b>	
Percent of time SWBT applies the 10-digit trigger prior to the LNP order due date	
<b>Definition:</b>	
Percent of time SWBT applies 10-digit trigger, where technically feasible, for LNP or LNP with loop TNs on the day prior to the due date.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>Where not technically feasible</li> </ul>	
<b>Business Rules:</b>	
Obtain number of LNP or LNP with loop TNs where the 10-digit trigger was applied on the day prior to due date, and the total number of LNP or LNP with Loop TNs where the 10-digit trigger was applied, where technically feasible.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>LNP only, and LNP with Loop</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of LNP TNs for which 10-digit trigger was applied 24 hours prior to due date ÷ total LNP TNs for which 10-digit triggers were applied) * 100.	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
96.5%	

## Schedule 4

<b>8. Measurement:</b>	
Percent LNP I-Reports in 10 Days	
<b>Definition:</b>	
Percent of LNP Orders that receive a network customer trouble report within 10 calendar days of service order completion	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• Excluding subsequent reports and all disposition code "13" reports (excludable reports).</li> <li>• Trouble reports caused by CPE or inside wiring</li> </ul>	
<b>Business Rules:</b>	
Start time: date/time of completion. End time: date/time of receipt of trouble report. Count the number of LNP Orders for which the trouble report was received within 10 calendar days of completion.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of LNP Orders that receive a network customer trouble report within 10 calendar days of service order completion ÷ total LNP Orders * 100.	Reported for CLEC and all CLECs, and SWBT
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
Parity with SWBT Retail POTS – No Field Work	



## Schedule 4

<b>9. Measurement:</b>	
Average Delay Days for SWBT Missed Due dates	
<b>Definition:</b>	
Average calendar days from due date to completion date on company missed orders	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>On time or early completions</li> </ul>	
<b>Business Rules:</b>	
The clock starts on the due date and the clock ends on the completion date based on posted LNP orders.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>LNP Only</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\frac{\Sigma(\text{LNP Port Out Completion Date} - \text{LNP Order due date})}{\# \text{ total port out orders}} \times 100$	Reported for CLEC and all CLECs and SWBT
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
Parity with SWBT retail POTS – No Field Work	

## Schedule 4

<b>10. Measurement:</b>	
Average time to activate the port in SWBT's Network	
<b>Definition:</b>	
Average time to facilitate the activation request in SWBT's network.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• CLEC-caused errors</li> <li>• NPAC-caused errors</li> <li>• Large ports greater than 500 ports</li> </ul>	
<b>Business Rules:</b>	
Start time: Receipt of NPAC broadcast activation message in SWBT's LSMS End time: Provisioning event is done in SWBT's LSMS. Calculate the total of difference between the start time and end time in minutes for LNP activations during the reporting period.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\frac{\Sigma(\text{LNP start time} - \text{LNP stop time})}{\div \# \text{ total LNP activated messages}}$	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	Yes
Tier-2	Yes
<b>Benchmark:</b>	
60 Minutes unless a different industry guideline is established which will override the benchmark referenced here.	

## Schedule 4

<b>11. Measurement:</b>	
Percent Porting Request Provisioned in <60 minutes	
<b>Definition:</b>	
The Number of LNP related conversions <del>that occur within</del> where the time required to facilitate the activation of the port in SWBT's network is less than 60, expressed as a percentage of total number of activations that took place.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• CLEC-caused errors</li> <li>• NPAC-caused errors</li> <li>• Large ports greater than 500 ports</li> </ul>	
<b>Business Rules:</b>	
Start time: Time that an "activate NPAC" broadcast is received in SWBT's LSMS. End time: Time the provisioning event is complete in SWBT's LSMS. Count the number of conversions that took place in less than 60 minutes.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• None</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\frac{\text{(Number of activation events provisioned in less than 60 minutes)}}{\text{(total LNP provisioning events)}} * 100.$	Reported for CLEC and all CLECs
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
<u>96.5%</u>	

## Schedule 4

<b>70. Measurement:</b>	
Percent Trunk Blockage	
<b>Definition:</b>	
Percent of calls blocked on outgoing traffic from SWBT end office to CLEC end office and from SWBT tandem to CLEC end office	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• None.</li> </ul>	
<b>Business Rules:</b>	
<p>Blocked calls and total calls are gathered during the official study week each month. This week is chosen from a pre-determined schedule.</p> <p>No penalties or liquidated damages apply:</p> <ul style="list-style-type: none"> <li>• If CLEC's have trunks busied-out for maintenance at their end, or if they have other network problems which are under their control.</li> <li>• SWBT is ready for turn-up on Due Date and CLEC is not ready or not available for turn-up of trunks.</li> <li>• If CLEC does not take action upon receipt of Trunk Group Service Request (TGSR) or ASR within 3 days when a Call Blocking situation is identified by SWBT or in the timeframe specified in the ICA.</li> <li>• If CLEC fails to provide a forecast.</li> <li>• If CLEC's actual trunk usage, as shown by SWBT from traffic usage studies, is more than 25% above CLEC's most recent forecast, which must have been provided within the last six-months unless a different timeframe is specified in an interconnection agreement</li> </ul> <p>The exclusions do not apply if SWBT fails to timely provide CLEC with traffic utilization data reasonably required for CLEC to develop its forecast or if SWBT refuses to accept CLEC trunk orders (ASRs or TGSRs) that are within the CLEC's reasonable forecast regardless of what the current usage data is.</p>	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• The SWBT end office to CLEC end office and SWBT tandem to CLEC end office trunk blockage will be reported separately</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of blocked calls ÷ total calls offered) * 100	Reported for CLEC, all CLECs and SWBT
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
Dedicated Trunk Groups not to exceed blocking standard of B.01.	

## Schedule 4

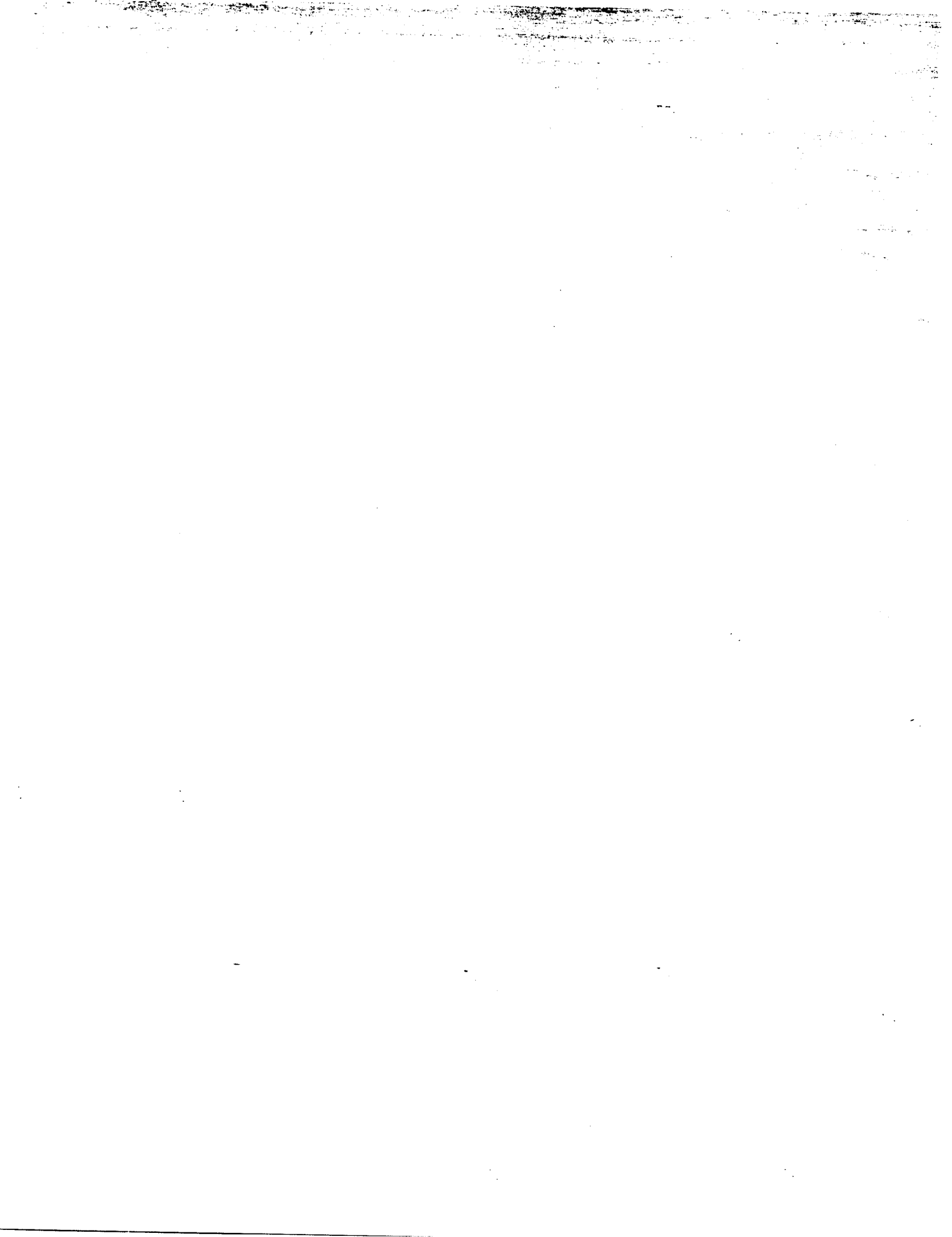
<b>71. Measurement:</b>	
Common Transport Trunk Blockage	
<b>Definition:</b>	
Percent of local common transport trunk groups exceeding 2% blockage	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>No data is collected on weekends</li> </ul>	
<b>Business Rules:</b>	
Blocked calls and total calls are gathered during the official study week each month. This week is chosen from a pre-determined schedule.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>Common trunk groups where CLECs share ILEC trunks, and Common trunk groups for CLECs not shared by ILEC</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Number of common transport trunk groups exceeding 2% blocking ÷ total common transport trunk groups) * 100.	Reported on local common transport trunk groups
<b>Measurement Type:</b>	
Tier-1	NO
Tier-2	YES
<b>Benchmark:</b>	
PUC Subst. R. 23.61(e)(5)(A) or parity, whichever is greater.	

## Schedule 4

<b>75. Measurement:</b>	
Percent SWBT Caused Missed Due Dates > 30 Days – Interconnection Trunks	
<b>Definition:</b>	
Percent of N,T,C orders where installation was completed greater than 30 days following the due date	
<b>Exclusions:</b>	
<ul style="list-style-type: none"><li>• Specials and UNE</li><li>• UNE Combos</li><li>• Excludes orders that are not N, T, or C</li></ul>	
<b>Business Rules:</b>	
See Measurement No. 74	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"><li>• None</li></ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of interconnection trunk orders completed greater than 30 days following the due date, excluding customer-caused misses ÷ total number of interconnection trunk orders) * 100.	Reported for CLEC, all CLECs and SWBT for interconnection trunks
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	NO
<b>Benchmark:</b>	
No more than 2% interconnection trunk orders completed >30 days.	

## Schedule 4

<b>78. Measurement:</b>	
Average Interconnection Trunk Installation Interval	
<b>Definition:</b>	
The average time from receipt of a complete and accurate ASR until the completion of the trunk order.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• SWBT-originated CCNA's</li> </ul>	
<b>Business Rules:</b>	
The clock starts on the receipt of a complete and accurate ASR and the clock stops on the completion date. The measurement is taken for all ASRs that complete in the reporting period.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• Interconnection Trunks, SS7 links, OS/DA and 911 trunks</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\Sigma(\text{completion date of the trunk order} - \text{receipt of complete and accurate ASR}) \div \text{total trunk orders}$	Reported by CLEC, all CLECs and comparable SWBT trunks
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
20 Business days.	





## Schedule 4

<b>70. Measurement:</b>	
Percent Trunk Blockage	
<b>Definition:</b>	
Percent of calls blocked on outgoing traffic from SWBT end office to CLEC end office and from SWBT tandem to CLEC end office	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• None.</li> </ul>	
<b>Business Rules:</b>	
<p>Blocked calls and total calls are gathered during the official study week each month. This week is chosen from a pre-determined schedule.</p> <p>No penalties or liquidated damages apply:</p> <ul style="list-style-type: none"> <li>• If CLEC's have trunks busied-out for maintenance at their end, or if they have other network problems which are under their control.</li> <li>• SWBT is ready for turn-up on Due Date and CLEC is not ready or not available for turn-up of trunks.</li> <li>• If CLEC does not take action upon receipt of Trunk Group Service Request (TGSR) or ASR within 3 days when a Call Blocking situation is identified by SWBT or in the timeframe specified in the ICA.</li> <li>• If CLEC fails to provide a forecast.</li> <li>• If CLEC's actual trunk usage, as shown by SWBT from traffic usage studies, is more than 25% above CLEC's most recent forecast, which must have been provided within the last six-months unless a different timeframe is specified in an interconnection agreement</li> </ul> <p>The exclusions do not apply if SWBT fails to timely provide CLEC with traffic utilization data reasonably required for CLEC to develop its forecast or if SWBT refuses to accept CLEC trunk orders (ASRs or TGSRs) that are within the CLEC's reasonable forecast regardless of what the current usage data is.</p>	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• The SWBT end office to CLEC end office and SWBT tandem to CLEC end office trunk blockage will be reported separately</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of blocked calls ÷ total calls offered) * 100	Reported for CLEC, all CLECs and SWBT
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
Dedicated Trunk Groups not to exceed blocking standard of B.01.	

## Schedule 4

<b>71. Measurement:</b>	
Common Transport Trunk Blockage	
<b>Definition:</b>	
Percent of local common transport trunk groups exceeding 2% blockage	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>No data is collected on weekends</li> </ul>	
<b>Business Rules:</b>	
Blocked calls and total calls are gathered during the official study week each month. This week is chosen from a pre-determined schedule.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>Common trunk groups where CLECs share ILEC trunks, and Common trunk groups for CLECs not shared by ILEC</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Number of common transport trunk groups exceeding 2% blocking ÷ total common transport trunk groups) * 100.	Reported on local common transport trunk groups
<b>Measurement Type:</b>	
Tier-1	NO
Tier-2	YES
<b>Benchmark:</b>	
PUC Subst. R. 23.61(e)(5)(A) or parity, whichever is greater.	

## Schedule 4

<b>75. Measurement:</b>	
Percent SWBT Caused Missed Due Dates > 30 Days – Interconnection Trunks	
<b>Definition:</b>	
Percent of N,T,C orders where installation was completed greater than 30 days following the due date	
<b>Exclusions:</b>	
<ul style="list-style-type: none"><li>• Specials and UNE</li><li>• UNE Combos</li><li>• Excludes orders that are not N, T, or C</li></ul>	
<b>Business Rules:</b>	
See Measurement No. 74	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"><li>• None</li></ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
(Count of interconnection trunk orders completed greater than 30 days following the due date, excluding customer-caused misses ÷ total number of interconnection trunk orders) * 100.	Reported for CLEC, all CLECs and SWBT for interconnection trunks
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	NO
<b>Benchmark:</b>	
No more than 2% interconnection trunk orders completed >30 days.	

## Schedule 4

<b>78. Measurement:</b>	
Average Interconnection Trunk Installation Interval	
<b>Definition:</b>	
The average time from receipt of a complete and accurate ASR until the completion of the trunk order.	
<b>Exclusions:</b>	
<ul style="list-style-type: none"> <li>• SWBT-originated CCNA's</li> </ul>	
<b>Business Rules:</b>	
The clock starts on the receipt of a complete and accurate ASR and the clock stops on the completion date. The measurement is taken for all ASRs that complete in the reporting period.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"> <li>• Interconnection Trunks, SS7 links, OS/DA and 911 trunks</li> </ul>	
<b>Calculation:</b>	<b>Report Structure:</b>
$\Sigma(\text{completion date of the trunk order} - \text{receipt of complete and accurate ASR}) \div \text{total trunk orders}$	Reported by CLEC, all CLECs and comparable SWBT trunks
<b>Measurement Type:</b>	
Tier-1	YES
Tier-2	YES
<b>Benchmark:</b>	
20 Business days.	